



ENERGY INTERNATIONAL INVESTMENTS HOLDINGS LIMITED

能源國際投資控股有限公司*

(Incorporated in the Cayman Islands with limited liability 於開曼群島註冊成立之有限公司)
(Stock code 股份代號 : 353)

2015 年報

ANNUAL REPORT



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Ms. Wang Meiyang
Mr. Chan Wai Cheung Admiral
Ms. Jin Yuping
Mr. Lan Yongqiang

Independent Non-Executive Directors

Mr. Lee Hoi Yan
Mr. Wang Jinghua
Mr. Fung Nam Shan

AUDIT COMMITTEE

Mr. Lee Hoi Yan (*Chairman*)
Mr. Wang Jinghua
Mr. Fung Nam Shan

REMUNERATION COMMITTEE

Mr. Lee Hoi Yan (*Chairman*)
Mr. Wang Jinghua
Mr. Fung Nam Shan
Mr. Chan Wai Cheung Admiral

NOMINATION COMMITTEE

Mr. Lee Hoi Yan (*Chairman*)
Mr. Wang Jinghua
Mr. Fung Nam Shan
Mr. Chan Wai Cheung Admiral

COMPANY SECRETARY

Mr. Wong Siu Keung, Joe

AUTHORISED REPRESENTATIVES

Ms. Wang Meiyang
Mr. Wong Siu Keung, Joe

REGISTERED OFFICE

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

董事會

執行董事

王美艷女士
陳偉璋先生
金玉萍女士
藍永強先生

獨立非執行董事

李凱恩先生
王靖華先生
馮南山先生

審核委員會

李凱恩先生 (*主席*)
王靖華先生
馮南山先生

薪酬委員會

李凱恩先生 (*主席*)
王靖華先生
馮南山先生
陳偉璋先生

提名委員會

李凱恩先生 (*主席*)
王靖華先生
馮南山先生
陳偉璋先生

公司秘書

黃兆強先生

授權代表

王美艷女士
黃兆強先生

註冊辦事處

Cricket Square
Hutchins Drive, P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

CORPORATE INFORMATION

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1508, 15th Floor
The Center
99 Queen's Road Central
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111
Cayman Islands

LEGAL ADVISERS TO THE COMPANY

As to Hong Kong Law:

C.L. Chow & Mackson Chan, Solicitors
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Hong Kong

As to Cayman Islands Law:

Conyers Dills & Pearman
2901 One Exchange Square
8 Connaught Place
Central, Hong Kong

AUDITOR

BDO Limited
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

香港總辦事處及主要營業地點

香港
皇后大道中99號
中環中心
15樓1508室

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

主要股份過戶登記處

Codan Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111
Cayman Islands

本公司法律顧問

香港法例:

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香港
干諾道中130-136號
誠信大廈3樓

開曼群島法律:

Conyers Dills & Pearman
香港中環
康樂廣場8號
交易廣場一座2901室

核數師

香港立信德豪會計師事務所有限公司
香港
干諾道中111號
永安中心25樓

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

For the year ended 31 December 2015, the Group's record revenue was approximately HK\$88 million (2014: HK\$228 million). The Group's revenue is contributed from oil production segment and supply of electricity and heat segment.

The loss attributable to the owners of the Company for the year ended 31 December 2015 was approximately HK\$493 million (2014: HK\$674 million). The loss of the Group has decreased by approximately HK\$228 million as compared to the last corresponding year.

ELECTRICITY AND HEAT BUSINESS

For the year ended 31 December 2015, Shanxi Zhong Kai Group Lingshi Heat and Power Company Limited ("Shanxi Zhong Kai Group Lingshi"), in which the Group owns a 60% equity interest, generated revenue of approximately HK\$47 million (2014: HK\$126 million), a decrease of approximately 63% as compared to the last corresponding year. The decrease in revenue was mainly due to the decrease in electricity consumption and there was no supply of heat energy to Central Heat Transmit Station of Lingshi County, the local government authority which is the largest customer of our heat energy supply, since April 2015. In the second half of 2015, due to the Notice as further explained below, the supply of electricity to both government authority and local customers continued but with a smaller scale. It is expected that such small scale of supply of electricity will continue until the negotiation with the local government comes to a conclusion or agreement.

The supply of electricity and heat segment recorded a loss of approximately HK\$90 million (2014: HK\$272 million). The decrease in loss was mainly due to decrease in impairment losses of property, plant and equipment and prepaid land lease payments amount by HK\$127 million and HK\$11 million respectively.

Shanxi Zhong Kai Group Lingshi received a notice issued by the People's Government of Lingshi County (the "Lingshi Government") dated 23 April 2015 (the "Notice"). In the Notice, the Lingshi Government ordered Shanxi Zhong Kai Group Lingshi to shut down the operations of its 2 sets of power generating units (the "Power Plant") before 30 June 2015, for the purposes of anti-pollution and emission reduction (the "Shutdown").

業務回顧

截至二零一五年十二月三十一日止年度，本集團錄得收益約為88,000,000港元（二零一四年：228,000,000港元）。本集團之收益來自產油分類及熱電供應分類。

截至二零一五年十二月三十一日止年度，本公司擁有人應佔虧損約為493,000,000港元（二零一四年：674,000,000港元）。相較去年同期，本集團之虧損減少約為228,000,000港元。

發電及供熱業務

截至二零一五年十二月三十一日止年度，山西中凱集團靈石熱電有限公司（「山西中凱集團靈石」，本集團擁有其60%股權）錄得收益約為47,000,000港元（二零一四年：126,000,000港元），較去年同期減少約63%。收益下跌主要乃由於用电量減少以及自二零一五年四月以來並無向當地政府機關靈石縣城市集中供熱總站（為本公司供熱業務的最大客戶）供應熱能所致。於二零一五年下半年，由於下文詳述之該通知，本公司繼續向政府機關及當地客戶供電，但規模有所縮減。預期在與當地政府達成磋商結果或協議前，將維持小規模供電業務。

熱電供應分類錄得虧損約為90,000,000港元（二零一四年：272,000,000港元）。虧損減少主要由於物業、廠房及設備以及預付土地租賃款項之減值虧損分別減少127,000,000港元及11,000,000港元所致。

山西中凱集團靈石接獲一封由靈石縣人民政府（「靈石政府」）發出日期為二零一五年四月二十三日的通知（「該通知」）。於該通知內，靈石政府以環保和減排為由指令山西中凱集團靈石於二零一五年六月三十日前關閉其兩台發電機組（「發電廠」）的營運（「關閉發電廠」）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Company has instructed the management of Shanxi Zhong Kai Group Lingshi and the legal advisers in the PRC to negotiate with the Lingshi Government and to advise the Company on the implications arising from the Shutdown. In the meantime, the Company has also been in discussions with 山西中凱實業集團有限公司 (Shanxi Zhong Kai Group Limited) (the “JV Partner”), our 40% joint venture partner in Shanxi Zhong Kai Group Lingshi, as to the appropriate actions in response to the Notice. These negotiations and discussions are ongoing and the Company has yet to come to a conclusion or agreement with the JV Partner and the Lingshi Government.

OIL BUSINESS

In 2015, global economic recovery was slow and the growth rate of the Chinese economy has slowed down. The demand in the petroleum market was weak and the international crude oil price continued to fluctuate at a low level. In the face of the complicated and harsh economic environment, the Group focused on lowering the costs and enhancing efficiency. The operating results before the impairment losses of intangible assets and property, plant and equipment for the year decreased substantially as compared with last year.

According to our original planning, we expected that in 2015 we would be able to drill 30 production wells and extract approximately 30,000 metric tonnes of oil. However, the drilling and extraction schedule was delayed during the year due to several interruptions and unexpected circumstances. For the year ended 31 December 2015, we have extracted approximately 17,000 metric tonnes (2014: 23,000 metric tonnes) of oil.

It is not cost effective to drill production well at the current low oil price environment. Our technician has been analysing the data received from existing extraction activities in order to determine if new extraction method should be deployed to save cost. We are still negotiating with technical department of our partner, China National Petroleum Corporation (“CNPC”), and other local expertise in this study.

The results from operations and costs incurred in oil business are detailed as below. In 2015, the Group achieved a turnover of approximately HK\$41 million (2014: HK\$102 million), representing a decrease of 60% as compared with last year. The reportable segment loss of oil production before impairment losses of intangible assets and property, plant and equipment for 2015 amounted to approximately HK\$29 million (2014: profit of HK\$15 million). This was primarily due to the combined impact of the decrease in both the selling price and the sales volume of crude oil.

本公司已指示山西中凱集團靈石的管理層及中國法律顧問與靈石政府進行磋商，以及就關閉發電廠一事的影響對本公司作出建議。與此同時，本公司亦正在與山西中凱實業集團有限公司（英文名稱為Shanxi Zhong Kai Group Limited）（「合營夥伴」，擁有山西中凱集團靈石另外40%權益）就應對該通知的適當行動進行討論。有關磋商和討論仍在進行，本公司尚未與合營夥伴及靈石政府達成任何結論或協議。

石油業務

於二零一五年，全球經濟復甦緩慢，而中國之經濟增長率亦放緩。石油市場需求疲弱，國際原油價格持續在低位徘徊。面對著複雜而艱困之經濟環境，本集團專注於節本增效。年內未計無形資產以及物業、廠房及設備減值虧損之經營業績較去年大幅下降。

根據原有計劃，我們預期可於二零一五年鑽探三十口生產井，並開採約為30,000公噸石油。然而，由於出現多次干擾及無法預計的狀況，年內的鑽探及開採時間表有所延後。截至二零一五年十二月三十一日止年度，我們已開採約17,000公噸石油（二零一四年：23,000公噸）。

鑒於當前油價低企，鑽探生產井並不具經濟效益。本集團技術人員一直分析從現有開採活動收集得來的數據，以釐定是否應採用嶄新方法開採以節省成本。我們仍與合作夥伴中國石油天然氣集團公司（「中國石油天然氣集團公司」）的技術部人員，以及國內其他油井開採專家進行磋商。

石油業務之經營業績及所涉之成本詳列如下。於二零一五年，本集團錄得之營業額約為41,000,000港元（二零一四年：102,000,000港元），較去年下跌60%。於二零一五年生產石油報告分類錄得之虧損（未計無形資產以及物業、廠房及設備減值虧損）為約29,000,000港元（二零一四年：溢利15,000,000港元），主要由於原油售價及銷量雙雙下降的綜合影響所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Results from operations

經營業績

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Net sales to customers	客戶銷售淨額	40,675	102,099
Other income	其他收入	23	2,944
Operating expenses	經營開支	(55,798)	(61,023)
Depreciation	折舊	(14,076)	(17,631)
Special petroleum revenue tax	石油特別收益稅	-	(11,569)
Impairment loss of intangible assets	無形資產之減值虧損	(408,954)	(441,894)
Impairment loss of property, plant and equipment	物業、廠房及設備之減值虧損	(33,843)	(185,136)
Results from operations before income tax	除所得稅前經營業績	(471,973)	(612,210)

Cooperation Contract Impairment

合作協議減值

As at 31 December 2015, the Company reviewed the carrying amounts of its assets related to the cooperation contract entered between CNPC and China Era Energy Power Investment Limited (an indirect wholly-owned subsidiary of the Company) dated 13 August 2007 (the "Cooperation Contract"), and determined that impairment would be necessary. The impairment losses were mainly due to the decrease in oil prices and delays in the drilling and extraction schedules. The planned drilling and extraction schedules were delayed mainly due to the following factors.

於二零一五年十二月三十一日，本公司已檢討由中國石油天然氣集團公司與中國年代能源投資有限公司（本公司的間接全資附屬公司）於二零零七年八月十三日訂立的合作協議（「合作協議」）的有關資產賬面值，並斷定資產須作出減值。減值虧損主要源於油價下跌以及鑽探及開採時間表推遲。原定的鑽探及開採時間表乃主要由於以下因素而延後。

- More time spent on the research on the detail structure of underground oil reserve;
- Further determination of the type of wells to be drilled;
- Insufficient funding to expand the production; and
- Environmental concern near the site area by the local authority.
- 對地下石油儲量結構進行詳盡研究花費更多時間；
- 進一步釐定將予鑽挖的油井種類；
- 缺乏足夠資金擴充生產；及
- 地方機關對開採附近地區的環境表示關注。

Accordingly, the Company determined that the carrying amounts of the assets related to the Cooperation Contract would likely not be recoverable based on the revised timing of future cash flows projected from the Cooperation Contract.

據此，本公司斷定，鑑於合作協議預測的未來現金流產生時間已修訂，合作協議有關資產的賬面值很可能無法收回。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In assessing the recoverable amount of the cash generating units of the oil business (the "Oil Production CGU") at 31 December 2015, the Company calculated the value-in-use derived by the discounted cash flow analysis to reflect deferral of development of the property by the revised price and cost considerations. The projected cash flows are based on the following key assumptions:

- Total estimated operating and construction costs of wells of the PRC oil field for the remaining terms of the Cooperation Contract;
- The crude oil price projection basis by reference to market price of New York Mercantile Exchange WTI ("NYMEX WTI") at the end of 2015; and
- The discount rate by reference to market comparable.

The review on the carrying amounts of the Oil Production CGU resulted in total impairment losses of approximately HK\$442,797,000 (2014: HK\$627,030,000). The impairment losses have been recorded within operating expenses on the face of the consolidated income statement and relates to the Company's segment information in oil production.

For the purpose of calculating the recoverable amount, the following major variables and assumptions were adopted:

- (i) The estimated operating costs of the PRC oil field for the remaining terms of the Cooperation Contract would increase and a growth rate of 3% (2014: 3%) was being adopted;
- (ii) According to the terms of the Cooperation Contract, when determining the oil price, reference should be made to the transaction prices in the world's major oil markets. Same as last year, the Company has adopted crude oil prices with reference to the rate of change of the NYMEX WTI forecast on crude oil prices and applied the rate of change to the PRC crude oil price in current forecast.

評估二零一五年十二月三十一日石油業務現金生產單位（「產油現金產生單位」）的可收回金額時，本公司採用現金流折現分析，以經修訂價格及代價成本，計算使用價值，以反映出財產延遲開發的影響。預測現金流是基於以下關鍵假設計算：

- 合作協議餘下限期內的中國油田油井估計營運及建設成本總額；
- 二零一五年年底，原油價格預測基準參考紐約商品期貨交易所輕質低硫原油（「NYMEX WTI」）之市價；及
- 折現率是參考市場可比較數據定出。

檢討產油現金產生單位之賬面值導致減值虧損總額約為442,797,000港元（二零一四年：627,030,000港元）。該減值虧損已記入綜合損益表的經營開支內，並與本公司產油分類資料有關。

就計算可收回金額，已採用下列主要變量及假設：

- (i) 合作協議餘下年期內的中國油田估計營運成本將會增加，採用之增長率為3%（二零一四年：3%）；
- (ii) 根據合作協議之條款，於釐定油價時應參考世界主要石油市場之交易價格。與去年相同，本公司所採納之原油價格是參考NYMEX WTI對原油價格預測之變化幅度及應用中國原油價格現時預測之變化幅度。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

(iii) As compared with last year's calculation, the management has adopted a delayed drilling and extraction schedules as detailed below:

(iii) 相對於去年之計算，管理層採用推遲的鑽探及開採時間表，詳情如下：

Drilling and extraction schedules					
鑽探及開採時間表					
		Variables used in current year projection		Variables used in previous year projection	
		本年度預測所用之變量		過往年度預測所用之變量	
Years		Million		Million	
年度		New wells	metric tonnes	New wells	metric tonnes
		新油井	百萬公噸	新油井	百萬公噸
2015	二零一五年	–	0.017	30	0.030
		(actual) (實際)	(actual) (實際)		
2016	二零一六年	–	0.015	60	0.154
After 2016	二零一六年後	791	3.643	701	3.491
Total	合計	791	3.675	791	3.675

The delay is mainly due to the following factors:

推遲之主要因素如下：

- Cost effective consideration during low oil price environment as expected for years 2015 and 2016;
 - Additional time spent on the research on the detail structure of the underground oil reserves;
 - Additional time required to determine the type of wells to be drilled;
 - Insufficient funding to expand the production in the short run; and
 - Tighten environmental concern near the site area by the local authority.
- 於預期二零一五年及二零一六年油價低企之環境下對成本效益的考慮；
 - 對地下石油儲量結構進行詳盡研究花費更多時間；
 - 釐定將予鑽挖之油井種類需要更多時間；
 - 短期內缺乏足夠資金擴充生產；及
 - 地方機關對開採附近地區收緊環境政策。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

(iv) The funding requirements for capital expenditure, including well development and well maintenance, on the planned drilling were detailed below:

(iv) 計劃鑽探之資本開支（包括油井開發及油井維護）的資金需求詳情如下：

Years 年度		Capital expenditure 資本開支	
		Variables used in current year projection 本年度預測 所用之變量 HK\$' million 百萬港元	Variables used in previous year projection 過往年度預測 所用之變量 HK\$' million 百萬港元
2015	二零一五年	– (actual) (實際)	84
2016	二零一六年	9	168
After 2016	二零一六年後	2,200	1,958
Total	合計	2,209	2,210

The management planned to obtain necessary funding for the capital expenditure from both internal and external sources. However, in current year the net cash used in operating activities of the Group amounted to approximately HK\$186 million. The management is of the view that it was not beneficial to the Group to spend significant amount on capital expenditure during the low oil price period. Therefore the management has lowered the planned capital expenditure in 2015 and also delayed the capital expenditure for subsequent years.

管理層計劃從內部及外部資源撥付資本開支所需資金。然而，於本年度，本集團之營運活動所用之現金淨額約為186,000,000港元。管理層認為，於低油價期間花費大量資金用於資本開支對本集團並無益處。因此，管理層已降低二零一五年之計劃資本開支，並且推遲了往後年度之資本開支。

(v) The management assumed that the discount rate will be close to market comparable and a pre-tax discount rate used to determine value-in-use is 18.5% (2014: 18.5%).

(v) 管理層假設折現率將接近市場可資比較折現率，而用以釐定使用價值之除稅前折現率為18.5%（二零一四年：18.5%）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The review on the carrying amounts of the Oil Production CGU resulted in total impairment losses of approximately HK\$442,797,000 (2014: HK\$627,030,000), which is mainly due to the delays in the drilling and extraction schedules and decrease in projected oil prices. The impairment losses have been recorded as expenses on the face of the consolidated income statement and relates to the Group's segment information in oil production.

TERMINAL, STORAGE AND LOGISTICS BUSINESS

By end of 2015, the Group has injected RMB115 million (equivalent to approximately HK\$136 million) to Shandong Shundong Port Services Company Limited (山東順東港務有限公司) ("Shandong Shundong") to obtain 51% equity interest in Shandong Shundong. Since the control in Shandong Shundong was obtained by end of 2015, the results of Shandong Shundong do not have significant impact to the Group's results. As at 31 December 2015, net current liabilities and net assets of approximately HK\$88 million and HK\$314 million from this business have been reflected in the consolidated statement of financial position respectively.

EXPLORATION AND MINING BUSINESS

As disclosed in the Company's announcements dated 26 and 27 August 2010 and the Company's 2010 interim report, the Board, to its astonishment, found out that as from 31 January 2010 the exploration licence held by QHFSMI, an indirect wholly-owned subsidiary of the Company established in the PRC, had been transferred to Yuen Xian Company, which is wholly-owned by Ms Leung beneficially through a company, HK Yuenxian, without the Company's knowledge, consent or approval. Due to the loss of the exploration licence, it was the Board's intention to suspend the Group's exploration and mining business until the Group regains control of QHFSMI and the exploration licence.

As disclosed in the Company's announcements dated 11 June 2015, 12 June 2015 and 9 March 2016, the Higher People's Court of Qinghai Province had made a final judgement that the change of exploration right agreement between QHFSMI and Yuen Xian Company was invalid and the Qinghai Province People's Procuratorate had expressed its "no-support" as to the review of the abovementioned final judgement, respectively.

檢討產油現金產生單位賬面值導致減值虧損總額約為442,797,000港元(二零一四年: 627,030,000港元), 主要源於鑽探及開採時間表推遲以及預期油價下跌。該減值虧損已於綜合損益表作開支入賬, 並與本集團產油分類資料有關。

碼頭、儲存及物流業務

截至二零一五年年底, 本集團已向山東順東港務有限公司(「山東順東」)注資人民幣115,000,000元(相當於約136,000,000港元), 以取得山東順東51%股權。由於本集團乃於二零一五年年底取得山東順東的控制權, 山東順東業績對本集團業績並無造成重大影響。於二零一五年十二月三十一日, 來自該業務之淨流動負債及淨資產約88,000,000港元及314,000,000港元分別於綜合財務狀況表內反映。

勘探及開採業務

如本公司日期為二零一零年八月二十六日及二十七日之公佈及本公司二零一零年中期報告所披露, 董事會驚訝發現, 由本公司之間接全資附屬公司青海森源(於中國成立)持有之勘探牌照已自二零一零年一月三十一日起轉讓予源森公司, 且本公司並不知悉, 亦未有同意或批准, 而源森公司乃由梁女士透過香港源森全資實益擁有。由於失去勘探牌照, 董事會有意暫時停止經營本集團之勘探及開採業務, 直至本集團重獲青海森源之控制權及勘探牌照為止。

誠如本公司日期為二零一五年六月十一日、二零一五年六月十二日及二零一六年三月九日之公佈所披露, 青海省高級人民法院作出最終判決, 即青海森源與源森公司簽署之探礦權變更協議無效, 及青海省人民檢察院表明其不支持對上述最終判決的監督申請。

MANAGEMENT DISCUSSION AND ANALYSIS

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The Group has sought legal opinion in respect of regaining the power over QHFSMI and the exploration license. The Group has appointed the PRC lawyer to handle this matter.

In the opinion of the directors, the aforesaid legal proceedings have no material impact on the financial position and operations of the Group as the Group is still in the process of regaining the controlling power over QHFSMI and IMFSMI which had already been de-consolidated since 2010.

FUTURE PLAN AND PROSPECTS

(i) Electricity and heat business

Regarding the Notice of the Shutdown received in April 2015, the Company is inclined to obey the shutdown order from the Lingshi Government, but is concerned as to, amongst other things, the employment of the workforce at the Power Plant and the economic damages suffered by the Group as a result of the Shutdown. The Company currently expects that, if the Power Plant is shut down permanently and no remedial plan is available to us, the Group will not only suffer significant loss but will also be forced to terminate the operations of its Supply of Heat and Electricity segment entirely.

On 30 December 2015, Precious New Limited, a wholly-owned subsidiary of the Company, has entered into the sale and purchase agreement with an independent third party who has conditionally agreed to acquire and Precious New Limited has conditionally agreed to sell its shares in Sunlight Rise Limited, intermediate holding company of Shanxi Zhong Kai Group Lingshi, and the sale loan. The consideration for the sale and purchase of the sale shares and the sale loan is HK\$1,500,000 (subject to adjustment).

本集團已就重獲對青海森源的權力及勘探牌照尋求法律意見。本集團已委聘中國律師處理此事宜。

董事認為，上述法律訴訟不會對本集團的財務狀況及營運有任何嚴重影響，原因為本集團重獲對青海森源及內蒙古森源之控制權一事仍在進行中，而該等公司自二零一零年起已不再綜合入賬。

未來規劃及展望

(i) 發電及供熱業務

就於二零一五年四月接獲的關閉發電廠的該通知，本公司傾向遵從靈石政府頒佈的關閉命令，惟亦關注到（其中包括）發電廠工作人員的崗位以及本集團由於關閉發電廠所招致的經濟損害。本公司現時預期，倘若發電廠永久關閉而無任何補救方案，則本集團將不僅招致重大損失，更會被逼全面終止其熱電供應分類的營運。

於二零一五年十二月三十日，本公司之全資附屬公司寶穎有限公司與獨立第三方訂立買賣協議，買方已有條件地同意收購，而寶穎有限公司亦已有條件地同意出售山西中凱集團靈石之直接控股公司昇暉有限公司之股份及待售貸款。就出售及購買待售股份及待售貸款之代價為1,500,000港元（可予調整）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

In view that Shanxi Zhong Kai Group Lingshi has to close down the factory and shut down the operations of two of its power generating units in the future and thereafter, Sunlight Rise Limited and its subsidiaries (the "Disposed Group") will have no operation at all and the unlikelihood of recovering the sale loan from the Disposed Group is in doubt. The Disposed Group will be of no value and the Company has to write-off most of the assets in the Disposed Group. The disposal will allow the Group to realise its investment in the Disposed Group. Further with the possible adjustment mechanism to the consideration mechanism in place, the Group will be able to share any future compensation given out by the PRC government authorities, organisations, entities and/or individuals to Shanxi Zhong Kai Group Lingshi (or its nominee). The Board considers that disposal of the sale shares and the sale loan at the consideration (subject to adjustment) is fair and reasonable. In addition, a bank loan in the sum of RMB35,000,000 advanced by a PRC licensed bank to Shanxi Zhong Kai Group Lingshi had expired on 29 December 2015. As at the date of this report, Shanxi Zhong Kai Group Lingshi has not yet renewed the said bank loan. Under the circumstances, Shanxi Zhong Kai Group Lingshi needs to repay the said bank loan and the Company may have to inject further capital to the Disposed Group for its operation. Through the disposal, the Company does not need to commit further capital investment to the Disposed Group for its general maintenance and reduce the impact of any future notices that may be issued by the PRC government which may increase the costs of maintaining the Disposed Group. Upon completion of the disposal, the Group can lower its gearing level and streamline its businesses and focus on the oil production business and the development of the terminal, storage and logistics facilities, which is expected to generate stable income to the Group and is of high growth potential and profitability.

鑑於山西中凱集團靈石未來須關閉電廠及終止其兩組發電機組的營運，昇暉有限公司及其附屬公司（「出售集團」）將完全沒有營運，故不太可能向出售集團收回待售貸款。出售集團將沒有價值，而本公司須將出售集團之大部份資產撇銷。出售事項將讓本集團可變現其於出售集團之投資。而憑藉代價機制以外的可能調整機制，本集團將能分成中國政府當局、組織、實體及／或個人向山西中凱集團靈石（或其代名人）進一步發放之任何補償。董事會認為，按代價（可予調整）出售待售股份及待售貸款誠屬公平合理。此外，一筆由一間中國持牌銀行向山西中凱集團靈石提供之人民幣35,000,000元銀行貸款已於二零一五年十二月二十九日到期。於本報告日期，山西中凱集團靈石尚未重續上述銀行貸款。在此情況下，山西中凱集團靈石需償還上述銀行貸款，而本公司可能須向出售集團額外注資以供其營運。藉著出售事項，本公司毋須再進一步向出售集團承擔資本投資供一般維持出售集團，同時減低中國政府日後可能頒佈之任何通知所造成之影響，其可能增加維持出售集團之成本。於出售事項完成時，本集團將得以降低其資本負債水平，同時精簡其業務，可專注於預期能為本集團帶來穩定收入及具備更高增長潛力及盈利能力的產油業務及碼頭、儲存及物流設施的發展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

(ii) Oil business

In 2016, the recovery of the global economy will remain highly uncertain, The crude oil price is likely to continue to keep at low levels but will be higher than that in 2015. Experienced the drop in January 2016, the crude oil price is in a growing trend recently. As compared to end of 2015, according to NYMEX WTI, the international crude oil price records more than 10% growth. The Group will continue to improve extraction techniques in order to increase the overall efficiency. The Group will continue to place great emphasis on its scientific and geological researches, increase efforts to make breakthroughs on key techniques, strengthen the meticulous exploration of mature oil field, actively push forward venture exploration in oil field.

Taking into accounts the production capacity of existing wells and facilities and the demand in oil market, it is estimated that the annual oil production of the oil field of the Lower Cretaceous System Quantou Formation Third Member Yangdachengzi Layer which is situated at Liangjing Block of the Songliao Basin at Jilin Province of the PRC in 2016 would be approximately 15,000 metric tonnes (equivalent to 110,000 barrels of oil).

As disclosed in the Company's announcement dated 4 July 2015 in relation to the legal proceedings brought by, inter alia, the Company against, inter alia, the vendors of and other parties relating to the acquisition of our oil production business (the "Liangjing Project"). Since such litigation is only in a preliminary stage, based on the prevailing situation, the Group is inclined to continue the oil extraction activities in the Liangjing Project. The Board will closely monitor the operations and performance of the Group's oil production business under the Liangjing Project.

(ii) 石油業務

於二零一六年，全球經濟復甦進度仍不明朗。原油價格有望繼續於低位徘徊，但較二零一五年將有所回升。繼二零一六年一月下挫後，原油價格近期呈上升趨勢。相比二零一五年年底，按NYMEX WTI計，國際原油價格錄得逾10%的升幅。本集團將繼續改良提取技術，務求提高整體產量。本集團將繼續專注於科學及地質研究，加倍努力取得關鍵技術突破，強化老區精細挖潛，大力推進油田之風險勘探。

倘計及現有油井及設施之產能以及石油市場之需求，估計位於中國吉林省松遼盆地兩井區塊之下白堊統泉頭組三段楊大城子油層之油田於二零一六年之年產油量將約為15,000公噸（相等於110,000桶石油）。

誠如本公司日期為二零一五年七月四日內容有關由（其中包括）本公司等針對（其中包括）收購本集團之產油業務（「兩井項目」）之賣方及其他有關各方而提出之法律程序之公佈所披露，由於該訴訟僅處於初步階段，按照目前狀況，本集團傾向繼續進行兩井項目之石油開採活動。董事會將密切注視本集團在兩井項目下之產油業務之營運及表現。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

(iii) Terminal, storage and logistics business

On 18 December 2015, the Company entered into an agreement (the "Acquisition Agreement") with an independent third party for the acquisition of 100% equity interest (the "Acquired Interest") of Mission Achiever Limited ("Mission Achiever") for a total cash consideration of HK\$185 million. By acquiring the Acquired Interest, the Group can effectively acquire the contractual right to participate in 51% equity interest in Shandong Shundong. It is a condition of the Acquisition Agreement that a portion of the consideration, amounted to RMB115 million (equivalent to approximately HK\$136 million), was directly applied to satisfy the capital contribution agreed to be made to Shandong Shundong in order to obtain 51% equity interest in Shandong Shundong. The capital contribution has been made by end of year 2015.

Payment of the consideration for the acquisition was funded from the internal financial resources of the Group. Shandong Shundong is designed to provide a comprehensive range of terminal, storage and logistics services for liquid chemical products in Dongying Port, which is an important regional port in Shandong Province, the PRC and is located on the coastline of Bohai Bay and the banks of the Yellow River Delta of Shandong Province. This project is expected to reduce the Group's reliance on the existing businesses and enable the Group to diversify its businesses and to broaden its source of revenue in the future.

As at 31 December 2015, Shandong Shundong has substantially completed the land forming and reclamation construction of land in Dongying Port, and is in the process of (i) constructing the chemical tankers with total designed annual throughput capacity of not less than 3.6 million metric tonnes; and (ii) applying for permits and licenses in respect of the construction of vertical liquid storage tanks and liquid storage speres with total storage capacity of 348,000 cubic metres of liquid chemicals. The construction of the facilities and application of related permits and licenses are expected to be completed by end of 2016 or early 2017, and the operation is expected to be commenced before mid-2017.

Further details of the transaction are set out in the Company's announcement dated 18 December 2015.

(iii) 碼頭、儲存及物流業務

於二零一五年十二月十八日，本公司與一名獨立第三方就收購Mission Achiever Limited（「Mission Achiever」）之100%股本權益（「被收購權益」）訂立協議（「收購協議」），總現金代價為185,000,000港元。本集團藉著收購被收購權益，可實際獲得合約權利，以參與山東順東之51%股本權益。收購協議之其中一項條件為，部分代價人民幣115,000,000元（相當於約136,000,000港元）將直接用以支付同意向山東順東作出之注資，以換取山東順東51%股本權益。上述注資已於二零一五年年底作出。

收購事項之代價將從本集團之內部財務資源中撥付。山東順東擬於東營港提供一系列的液體化工產品碼頭、儲存及物流服務，東營港是中國山東省地區性重要港口，位於渤海灣海岸及山東省黃河三角洲河岸。預期該項目可減少本集團對現有業務之倚賴，並使本集團可進行業務多元化發展及擴大其未來收入來源。

於二零一五年十二月三十一日，山東順東已大致上完成東營港土地之形成陸域及填海工程，並正在(i)建設化工船碼頭，設計年吞吐總量不少於3,600,000公噸；及(ii)就建設立式儲罐及球罐申領許可證及牌照，儲存液體化工產品總容量為348,000立方米。設施施工及相關許可及牌照之申請預期於二零一六年年底或二零一七年年年初完成，並預期於二零一七年年中之前開始營運。

該項交易之進一步詳情載於本公司日期為二零一五年十二月十八日之公佈。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL SUMMARY

(i) Revenue

The Group's revenue for the year ended 31 December 2015 was approximately HK\$88 million. The administrative expenses for the year ended 31 December 2015 were approximately HK\$42 million, which represented an increase of 36% compared to the administrative expenses incurred last year.

(ii) Gross loss

Gross loss of the Group for the year ended 31 December 2015 was approximately HK\$44 million (2014: gross profit of HK\$17 million). The gross loss arose from both the electricity and heat business and the oil business.

Gross loss arising from the electricity and heat business is mainly caused by the decrease in supply of electricity in the second half of 2015 and the cease in supply of heat from April 2015 onwards. Without drawing conclusion on negotiation with the Lingshi Government, Shanxi Zhong Kai Group Lingshi has maintained the workforce even the revenue decreased due to the Notice. Gross loss from the oil business is mainly attributable to the decrease in selling price and sales volume of crude oil, but with the same level of certain fixed cost, such as staff costs and depreciation.

The Board believes that after the disposal of the Disposed Group and the crude oil price recovered from the bottom level, together with certain cost saving policies such as temporary close down of the less efficient oil wells and minimising of staff costs, the gross loss situation is expected to be substantially improved.

(iii) Loss attributable to the owners of the Company

The loss attributable to the owners of the Company for the year ended 31 December 2015 was approximately HK\$493 million which represented a decrease of 27%, as compared to last corresponding year. The loss was mainly resulted from the impairment losses of intangible assets and property, plant and equipment amounted to approximately HK\$409 million and HK\$82 million respectively.

財務摘要

(i) 收益

截至二零一五年十二月三十一日止年度，本集團之收益約為88,000,000港元。截至二零一五年十二月三十一日止年度之行政開支約為42,000,000港元，較上年度行政開支增加36%。

(ii) 毛損

截至二零一五年十二月三十一日止年度，本集團錄得毛損約44,000,000港元（二零一四年：毛利17,000,000港元）。毛損來自熱電業務及石油業務。

熱電業務之毛損主要由於二零一五年下半年供電減少及於二零一五年四月起停止供熱所致。在與靈石政府磋商尚未達成結果之情況下，儘管因通知導致收益減少，山西中凱集團靈石並無減員。石油業務之毛損主要由於原油售價及銷量雙雙減少，而員工成本及折舊等部分固定成本卻維持原有水平。

董事會相信，待出售出售組別及原油價格由低位回升，加上暫時關閉低效油井及盡量削減員工成本等若干節約成本政策，毛損情況可望大大改善。

(iii) 本公司擁有人應佔虧損

截至二零一五年十二月三十一日止年度，本公司擁有人應佔虧損約為493,000,000港元，較去年同期減少27%。虧損主要源於無形資產及物業、廠房及設備之減值虧損分別約為409,000,000港元及82,000,000港元。

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The Group's sales and purchases were denominated in RMB and the Group did not use any hedging instrument during the year under review. The directors considered that its exposure to foreign exchange rate risk is limited since the Group is closely monitoring the financial market and would consider appropriate measures if required.

CAPITAL STRUCTURE

(i) Placing of new shares on 12 June 2015 under general mandate

On 15 May 2015, the Company as the issuer and China Everbright Securities (HK) Limited as placing agent and Pacific Foundation Securities Limited as placing agent (the "Placing Agents") entered into the placement agreement (the "Placing Agreement"), pursuant to which the Company had conditionally agreed to place through the Placing Agents, on a best effort basis, up to an aggregate of 369,417,012 new ordinary shares of HK\$0.1 each in the share capital of the Company (the "Placing Shares"), to not less than six places who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and any of its connected persons or their respective associates, at a price of HK\$0.145 per Placing Share. The Placing Shares were allotted and issued pursuant to the general mandate refreshed by the shareholders of the Company at the annual general meeting of the Company held on 24 June 2014. On 12 June 2015, the placing was completed in accordance with the terms and conditions of the Placing Agreement. The Company received net proceeds of approximately HK\$52.5 million from the Placing Shares, representing a net issue price of approximately HK\$0.142 per Placing Share.

本集團進行之買賣乃以人民幣計值，於回顧年度內，本集團並無採用任何對沖工具。董事認為，本集團所面對之外匯風險僅屬有限，因本集團一直密切監察金融市場，並會於有需要時考慮採取適當措施。

股本架構

(i) 於二零一五年六月十二日根據一般授權配售新股份

於二零一五年五月十五日，本公司（作為發行人）與中國光大證券（香港）有限公司（作為配售代理）及太平基業證券有限公司（作為配售代理）（「配售代理」）訂立配售協議（「配售協議」），據此，本公司有條件同意透過配售代理盡最大努力按每股配售股份0.145港元之價格向不少於六名承配人（該等承配人及彼等之最終實益擁有人均為獨立於本公司及其任何關連人士或彼等各自的聯繫人士且與彼等概無關連之第三方）配售最多合共369,417,012股本公司股本中每股面值0.1港元之新普通股（「配售股份」）。配售股份根據本公司股東於二零一四年六月二十四日舉行之本公司股東週年大會上更新之一般授權配發及發行。於二零一五年六月十二日，根據配售協議之條款及條件完成配售。本公司就配售股份收取所得款項淨額約52,500,000港元，即淨發行價每股配售股份約0.142港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

(ii) Placing of convertible bonds on 16 September 2015 under specific mandate

On 15 May 2015, the Company and the Placing Agents entered into the convertible bonds placing agreement (the "CB Placing Agreement"), pursuant to which the Company had conditionally agreed to place through the Placing Agents, on a best effort basis, the convertible bonds (the "CBs") with a principal amount of up to HK\$300,000,000 to not less than six CB Placees. The initial conversion price is HK\$0.158 per conversion share, and 1,898,734,177 conversion shares will be allotted and issued by the Company upon exercise in full of the conversion rights attaching to the CBs. All conditions set out in the CB Placing Agreement have been fulfilled and the completion of the CB placing took place on 16 September 2015 in accordance with the terms and conditions of the CB Placing Agreement. The CBs were allotted and issued pursuant to the specific mandate approved by the shareholders at the extraordinary general meeting (the "EGM") held on 17 August 2015. As at 31 December 2015, principal amount of HK\$110,000,000 had been converted to 696,202,521 new ordinary shares and the outstanding CBs amounted to a principal amount of HK\$190,000,000.

CURRENT AND GEARING RATIOS

As at 31 December 2015, the Group had total assets of approximately HK\$1,511 million (2014: HK\$1,380 million), total liabilities of approximately HK\$824 million (2014: HK\$522 million), indicating a gearing ratio of 0.55 (2014: 0.38) on the basis of total liabilities over total assets. The current ratio of the Group for the year was 0.79 (2014: 0.57) on basis of current assets over current liabilities.

CONTINGENT LIABILITIES

As at 31 December 2015, the Group did not have any significant contingent liabilities.

CAPITAL AND OTHER COMMITMENTS

The Group had capital and other commitments contracted but not provided for of approximately HK\$588,456,000 (2014: HK\$791,000) and HK\$50,622,000 (2014: HK\$50,986,000) respectively as at 31 December 2015.

(ii) 於二零一五年九月十六日根據特別授權配售可換股債券

於二零一五年五月十五日，本公司與配售代理訂立可換股債券配售協議（「可換股債券配售協議」），據此，本公司有條件同意透過配售代理盡最大努力配售本金額最多300,000,000港元之可換股債券（「可換股債券」）予不少於六名可換股債券承配人。初步換股價為每股換股股份0.158港元。於可換股債券所附帶換股權獲全面行使後，本公司將配發及發行1,898,734,177股換股股份。可換股債券配售協議之所有條件已獲達成，可換股債券配售已根據可換股債券配售協議之條款及條件於二零一五年九月十六日完成，並根據股東於二零一五年八月十七日舉行之股東特別大會（「股東特別大會」）上批准之特別授權配發及發行可換股債券。截至二零一五年十二月三十一日，本金額110,000,000港元之可換股債券獲轉換為696,202,521股新普通股，尚有本金額190,000,000港元之可換股債券未獲轉換。

流動比率及資本負債比率

於二零一五年十二月三十一日，本集團之資產總值約為1,511,000,000港元（二零一四年：1,380,000,000港元），負債總額約為824,000,000港元（二零一四年：522,000,000港元），按負債總額除資產總值計算，資本負債比率為0.55（二零一四年：0.38）。本年度本集團之流動比率（按流動資產除流動負債計算）為0.79（二零一四年：0.57）。

或然負債

於二零一五年十二月三十一日，本集團並無任何重大或然負債。

資本及其他承擔

本集團於二零一五年十二月三十一日有已訂約但未撥備之資本及其他承擔分別約588,456,000港元（二零一四年：791,000港元）及50,622,000港元（二零一四年：50,986,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CHARGES ON ASSETS

As at 31 December 2015, the Group had interest-bearing bank borrowings of approximately HK\$41 million (2014: HK\$43 million) and pledged bank deposits of approximately HK\$22,000 (2014: HK\$1,003,000).

EMPLOYEE INFORMATION

As at 31 December 2015, the Group employed 432 full-time employees (2014: 446). The Group's emolument policies are formulated on the performance of individual employees and are reviewed annually in line with industry practice. The Group also provides provident fund schemes (as the case may be) to its employees depending on the location of such employees.

DIVIDEND

The Directors do not recommend the payment of any dividend for the year ended 31 December 2015 (2014: Nil).

INFORMATION OF OIL RESERVES

Changes in estimated quantities of proved crude oil reserves for the year ended 31 December 2015 and 2014 are indicated as follows:

		Crude oil 原油 (million metric tonnes) (百萬公噸)
Reserves as at 1 January 2014	於二零一四年一月一日之儲量	3.698
Changes resulted from:	因以下事項而產生變動：	
Production	生產	(0.023)
Reserves as at 31 December 2014	於二零一四年十二月三十一日之儲量	3.675
Changes resulted from:	因以下事項而產生變動：	
Production	生產	(0.017)
Reserves as at 31 December 2015	於二零一五年十二月三十一日之儲量	3.658

Note: Based on the Group's share of participated interests in the oil field through jointly controlled operations.

資產抵押

於二零一五年十二月三十一日，本集團之計息銀行借款為約41,000,000港元（二零一四年：43,000,000港元）及已抵押銀行存款為約22,000港元（二零一四年：1,003,000港元）。

僱員資料

於二零一五年十二月三十一日，本集團僱用432名全職僱員（二零一四年：446名）。本集團之薪酬政策按個別僱員表現而釐定，並每年檢討以便與業界慣例相符。本集團亦按該等僱員之工作地點向僱員提供公積金計劃（按情況而定）。

股息

董事不建議派付截至二零一五年十二月三十一日止年度之任何股息（二零一四年：無）。

石油儲量資料

截至二零一五年及二零一四年十二月三十一日止年度，探明原油儲量之估計數量之變動列載如下：

附註：根據本集團透過共同控制營運分佔於油田之參與權益計算。

BIOGRAPHICAL DETAILS OF DIRECTORS

董事履歷詳情

EXECUTIVE DIRECTORS

Ms. Wang Meiyang, aged 53, was appointed as executive Director of the Company in January 2011. She graduated from a vocational education institute. She was a senior officer of the Office of Dongying Municipal Committee, Shandong Province, Geology Research Institute of Shengli Oilfield (勝利油田地質研究院), Huaren Group of Shenyang Military Area Command (瀋陽軍區華仁集團), Chinese Enterprises Dagan Magazine (中國企業大觀雜誌社), the Association of Chinese Enterprises Television Stations (中國企業電視台協會), American Pan Asia Investment Group Corporation (美國泛亞投資集團公司) and Kashgar project of Tarim Oilfield in Xinjiang. Ms. Wang has extensive experience in corporate management and leadership.

Mr. Chan Wai Cheung Admiral, aged 42, was appointed as independent non-executive Director of the Company in March 2012 and was redesignated as executive Director in November 2013. He holds a Bachelor of Arts (Honours) in Accountancy from City University of Hong Kong. Mr. Chan is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. He has extensive experience in accounting and auditing field. Mr. Chan is an independent non-executive director of Jia Meng Holdings Limited (stock code: 8101) and a non-executive director of China Nonferrous Metals Company Limited (stock code: 8306), both of which are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Mr. Chan is also an independent non-executive director of Carnival Group International Holdings Limited (stock code: 996), which is listed on the Main Board of the Stock Exchange.

Ms. Jin Yuping, aged 44, graduated from the undergraduate program in Petroleum Engineering from China University of Petroleum (Huadong) and holds a Master's Degree in Oil and Gas Engineering from China University of Petroleum (Huadong). Ms. Jin has served as head of oil production team and deputy director of oil production in Gudong Oil Production Centre of Sinopec Shengli Oilfield during the period from 2006 to 2012. Currently, Ms. Jin is a Vice President of Beijing Huaxia Taiyue Energy Investment Company Limited. Ms. Jin has accumulated over 20 years of working experience in oil production.

Mr. Lan Yongqiang, aged 48, was appointed as independent non-executive Director of the Company in July 2014 and was re-designated as executive Director in December 2014. He holds a Bachelor of Laws Degree from Lanzhou University. Mr. Lan has extensive experience in investment, mergers and acquisitions as well as in the business of public listing laws. Mr. Lan is currently an executive partner of Guangda Law Firm in Guangdong. Mr. Lan is an independent non-executive director of Guangdong Macro Co., Ltd. (stock code: 00533), which is listed on Shenzhen Stock Exchange.

執行董事

王美艷女士，53歲，於二零一一年一月獲委任為本公司執行董事。彼擁有中專學歷，並先後在山東省東營市委辦公室、勝利油田地質研究院、瀋陽軍區華仁集團、中國企業大觀雜誌社、中國企業電視台協會、美國泛亞投資集團公司及新疆塔里木油田喀什項目部任高級職員。王女士有著豐富的企業管理經驗和領導經驗。

陳偉璋先生，42歲，於二零一二年三月獲委任為本公司獨立非執行董事，並於二零一三年十一月調任為執行董事。彼持有香港城市大學會計學文學士（榮譽）學位。陳先生為香港會計師公會會員及英國特許公認會計師公會資深會員。彼於會計及審計方面累積豐富經驗。陳先生現時為家夢控股有限公司（股份代號：8101）之獨立非執行董事及中國有色金屬有限公司（股份代號：8306）之非執行董事，該兩間公司均於香港聯合交易所有限公司（「聯交所」）創業板上市。陳先生亦為嘉年華國際控股有限公司（股份代號：996）之獨立非執行董事，該公司於聯交所主板上市。

金玉萍女士，44歲，在中國石油大學（華東）採油工程本科畢業及持有中國石油大學（華東）石油與天然氣工程碩士學位。於二零零六年至二零一二年期間，金女士曾任中國石油石化勝利油田孤東採油廠採油隊長及採油副礦長。金女士現為北京華夏泰岳能源投資有限公司副總經理。金女士於採油方面累積逾二十年的工作經驗。

藍永強先生，48歲，於二零一四年七月獲委任為本公司獨立非執行董事，並於二零一四年十二月調任為執行董事。藍先生持有蘭州大學法學學士學位。藍先生於投資、合併與收購及上市法律業務擁有豐富經驗。藍先生現為廣東廣大律師事務所執行合夥人。藍先生現時為廣東萬家樂股份有限公司（股份代號：00533）之獨立非執行董事，該公司於深圳證券交易所上市。

BIOGRAPHICAL DETAILS OF DIRECTORS

董事履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lee Hoi Yan, aged 32, was appointed as independent non-executive Director of the Company in November 2013. He holds a Bachelor of Commerce from The University of Auckland, New Zealand. Mr. Lee is a member of the Hong Kong Institute of Certified Public Accountants. In the past, Mr. Lee has worked in one of the top-tier international accounting firms. He is currently working in an investment bank. He has extensive experience in the field of accounting, auditing and corporate finance and specialised expertise in mergers and acquisitions and the capital market.

Mr. Wang Jinghua, aged 34, was appointed as independent non-executive Director of the Company in July 2011. He graduated from University of Exeter, United Kingdom. He holds two Bachelor of Arts degrees with major in Internet Computing and Economics & Finance and a Master of Science degree with International Management. From 2009, Mr. Wang acted as a General Manager Assistant in China Western Holdings Co., Ltd. He has most experience in the investment program and contract in the urban construction project.

Mr. Fung Nam Shan, aged 39, holds a bachelor's degree in accounting awarded by the University of Newcastle, Australia. Mr. Fung is a member of the Hong Kong Institute of Certified Public Accountants and a CPA member of the Australian Institute of Certified Public Accountants. Mr. Fung is currently the company secretary and authorized representative of Seamless Green China (Holdings) Limited (listed on the Growth Enterprise Market (the "GEM") of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (stock code: 8150)), and company secretary and authorized representative of Sky Forever Supply Chain Management Group Limited (listed on the GEM of the Stock Exchange (stock code: 8047)). Mr. Fung served Zhejiang Chang'an Renheng Technology Co., Ltd. (listed on the GEM of the Stock Exchange (stock code: 8139)) as financial controller and company secretary from April 2013 to March 2014. Mr. Fung was employed as financial controller and company secretary of South China Land Limited (listed on the GEM of the Stock Exchange (stock code: 8155)) from February 2010 to April 2013. Mr. Fung served for a reputable property development group as financial controller from 2009 to 2010. He has worked for PricewaterhouseCoopers as an audit manager for several years which brought him strong experience in auditing, accounting and taxation in Hong Kong and the PRC. He has been one of the marketing committee members of The Hong Kong Youth Hostels and also a member of its charity walk organising committee since 2012.

獨立非執行董事

李凱恩先生，32歲，於二零一三年十一月獲委任為本公司獨立非執行董事。彼持有新西蘭奧克蘭大學商科學士學位。李先生為香港會計師公會會員。李先生之前曾於一間頂級國際會計師行工作。彼目前任職於投資銀行。彼於會計、審計及企業融資方面擁有豐富經驗，並於併購及資本市場領域擁有專業知識。

王靖華先生，34歲，於二零一一年七月獲委任為本公司獨立非執行董事。彼畢業於英國埃克賽特大學。彼持有國際商業管理碩士學位、經濟與金融學士學位及計算機專業學士學位。從二零零九年起，王先生曾擔任西部發展控股有限公司總經理助理的職務。他擁有投資項目及城市建設項目合同的豐富經驗。

馮南山先生，39歲，持有澳大利亞紐卡素大學會計學士學位。馮先生為香港會計師公會會員及澳大利亞註冊會計師協會註冊會計師會員。彼現時為無縫綠色（集團）有限公司（於香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）上市之公司（股份代號：8150））之公司秘書和授權代表以及為宇恒供應鏈集團有限公司（於聯交所創業板上市之公司（股份代號：8047））之公司秘書和授權代表。馮先生於二零一三年四月至二零一四年三月擔任浙江長安仁恒科技股份有限公司（於聯交所創業板上市之公司（股份代號：8139））之財務總監及公司秘書。馮先生曾於二零一零年二月至二零一三年四月擔任南華置地有限公司（於聯交所創業板上市之公司（股份代號：8155））之財務總監及公司秘書。馮先生曾於二零零九年至二零一零年擔任一家知名物業發展集團之財務總監。彼曾於羅兵咸永道會計師事務所任職審計經理多年，因此彼於中國及香港之審計、會計及稅務領域具有豐富經驗。彼自二零一二年起一直擔任香港青年旅舍協會市場推廣委員會成員及慈善步行組織委員會之成員。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to maintain a high standard of corporate governance, holding the beliefs of transparency, honesty and accountability. The Board of the Company considers that sound corporate management and governance practices are essential to the Company's healthy growth under all business environments. Therefore, we continuously review and improve our corporate governance standards to ensure maximum compliance with the relevant laws and codes.

The Company has adopted the Code on Corporate Governance Code and Corporate Governance Report (the "CG Code") set out in Appendix 14 of the Listing Rules. During the year ended 31 December 2014, the Company has complied with the applicable code provisions of the CG Code as and when they were/are in force, except for the deviation as disclosed in this annual report.

DEVIATION FROM CG CODE

- (i) A.2.1 of the CG Code, the roles of chairman and chief executive officer (the "CEO") should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing. Since the positions of the chairman and CEO are vacated, the Company is still looking for a suitable candidate to fill the vacancy of chairman and CEO;
- (ii) A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. For the year under review, all independent non-executive Directors of the Company have not been appointed for a specific term but they are subject to retirement by rotation at least once every three years in accordance with the Company's Articles of Association;
- (iii) E.1.2 of the CG Code, the chairman of the Board should attend the annual general meeting (the "AGM"). However, the chairman is vacated. One of the executive directors will attend the AGM and will be available to answer questions at the AGM;
- (iv) A.6.7 of the CG Code, independent non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders, Mr. Wang Jinghua (the "Mr. Wang") and Mr. Lee Hoi Yan, the independent non-executive directors, were unable to attend the AGM of the Company held on 30 June 2015 and Mr. Wang and Mr. Fung Nam Shan, the independent non-executive directors, were unable to attend the EGM of the Company held on 17 August 2015, due to their other prior engagements; and

本公司致力維持高水平之企業管治，以維持其透明度、誠信及問責性。本公司董事會認為，穩健之企業管理及管治常規對本公司在所有業務環境下有穩健增長是不可或缺。因此，本公司持續檢討及改善本集團之企業管治標準，以確保在最大程度下遵循相關法例及守則。

本公司已採納上市規則附錄十四所載之企業管治守則及企業管治報告（「企業管治守則」）。於截至二零一四年十二月三十一日止年度，本公司已於企業管治守則之適用條文於先前／目前生效時遵守該等條文，惟本年報中披露之偏離情況除外。

企業管治守則之偏離事項

- (i) 根據企業管治守則第A.2.1條，主席及行政總裁（「行政總裁」）之角色應獨立區分，且不應由同一人履行。主席與行政總裁間之職責區分應書面清晰訂明。本公司主席及行政總裁目前懸空，本公司仍在物色合適人選填補主席及行政總裁之空缺；
- (ii) 根據企業管治守則第A.4.1條，非執行董事須按指定任期委任，並須膺選連任。於回顧年度，本公司所有獨立非執行董事均未按指定任期委任，惟須按照本公司組織章程細則至少每三年輪值告退一次；
- (iii) 根據企業管治守則第E.1.2條，董事會主席應出席股東週年大會（「股東週年大會」）。然而，主席職位目前懸空。其中一位執行董事將會出席股東週年大會並於股東週年大會上回答提問；
- (iv) 根據企業管治守則第A.6.7條，獨立非執行董事應出席股東大會，對股東的意見有公正的了解。獨立非執行董事王靖華先生（「王先生」）及李凱恩先生因其他事先安排未能出席本公司於二零一五年六月三十日舉行之股東週年大會，以及獨立非執行董事王先生及馮南山先生因其他事先安排未能出席本公司於二零一五年八月十七日舉行之股東特別大會；及

CORPORATE GOVERNANCE REPORT

企業管治報告

(v) Mr. Lan Yongqiang (“Mr. Lan”) has been re-designated as an executive director of the Company on 8 December 2014. Following the re-designation of Mr. Lan, the number of independent non-executive directors fall below the minimum number required under the Rule 3.10(1) of the Listing Rules of the Stock Exchange. The Board appointed Ms. Zhao Hanqi as the independent non-executive director on 6 March 2015 to comply with the aforesaid ruling.

(v) 藍永強先生（「藍先生」）於二零一四年十二月八日被調任為本公司之執行董事。藍先生調任後，獨立非執行董事之人數減少至少於聯交所上市規則第3.10(1)條所規定之最少人數。董事會已於二零一五年三月六日委任趙瀚琦女士為獨立非執行董事，以符合上述規定。

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors by Listed Issuers (the “Model Code”) set out in Appendix 10 of the Listing Rules. The Company has made specific enquiries with each Director and each of them confirmed that he had complied with the required standards set out in the Model Code throughout the year ended 31 December 2015.

董事之證券交易活動

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）。本公司已向各董事作出具體查詢，彼等已各自確認於截至二零一五年十二月三十一日止年度一直遵守標準守則所載之規定準則。

BOARD OF DIRECTORS

The Board determines and keeps under review the objectives of the Group. It makes decisions on overall strategies and actions necessary for achieving these objectives, monitors and controls financial and operating performance, formulates appropriate policies, and identifies and ensures best practices of corporate governance. The Board members are fully committed to their roles and have acted in good faith to maximise the Shareholders’ value in the long run, and have aligned the Group’s goals and directions with the prevailing economic and market conditions. Daily operations and administration are delegated to the management. It has given clear directions as to the powers of management, in particular, with respect to the circumstances where management should report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company.

董事會

董事會釐定本集團之目標，並持續作出檢討。其就達到有關目標之所須整體策略及措施作出決策，監察及控制財務及營運表現，制定合適政策，並指出及確保執行最佳企業管治常規。董事會成員均盡忠職守，並真誠地盡量為提高股東長遠價值行事，並把本集團之目標和發展方向與目前經濟及市場環境配合。而日常運作及管理則交託管理層負責。董事會已就管理層之權力發出清晰指引，尤其是關於在甚麼情況，管理層須先匯報及向董事會取得事先批准，方可代表本公司作出決定或訂立任何承諾。

The Board comprises a balanced number of executive Directors and non-executive Directors (including independent non-executive Directors) that can ensure there is adequate independent judgement for the running of the Company’s business. The members of the Board comprise experts from various professions with extensive experience. Two of the independent non-executive Directors have appropriate professional qualifications or accounting or related financial management expertise. In all corporate communications, the Company had disclosed the composition of the Board according to the categories and responsibilities of the directors.

董事會由人數均等的執行董事及非執行董事（包括獨立非執行董事）所組成，能確保執行本公司業務時作出足夠之獨立判斷。董事會成員為擁有不同專業知識之專家，且擁有豐富經驗。其中兩名獨立非執行董事擁有合適專業資格或會計或相關財務管理之專業知識。於所有公司通訊中，本公司已根據董事類別及責任披露董事會之組成。

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As at the date of this annual report, the Board comprises seven members, including four executive Directors and three independent non-executive Directors. The Board members during the year and up to the date of this annual report were:

Executive Directors

Ms. Wang Meiyang
Mr. Chan Wai Cheung Admiral
Ms. Jin Yiping
Mr. Lan Yongqiang

Non-Executive Director

Ms. Zhao Hanqi (*Re-designed on 28 May 2015 and resigned on 11 September 2015*)

Independent Non-Executive Directors

Mr. Lee Hoi Yan
Mr. Wang Jinghua
Ms. Zhao Hanqi (*Appointed on 6 March 2015 and re-designed as non-executive Director on 28 May 2015*)
Mr. Fung Nam Shan (*Appointed on 28 May 2015*)

Appointment, Re-election and Rotation of Directors

All Directors were not appointed for any specific terms and they are subject to re-election by Shareholders at AGM and at least once every three years on a rotation basis in accordance with Article 108 of the Articles of Association of the Company. A retiring Director shall be eligible for reelection at AGM and shall continue to act as a Director throughout the meeting which he retires. Where vacancies arise at the Board, candidates are proposed and put forward to the Board by the Nomination Committee as more fully explained below under the section on Nomination Committee.

Directors' Training

Upon appointment to the Board, the Directors receive a package of orientation materials about the Group and are provided with a comprehensive induction to the Group's businesses by senior executives. The package includes a copy of "A Guide on Directors' Duties" issued by the Companies Registry of Hong Kong. All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills.

於本年報日期，董事會由七名成員組成，包括四名執行董事及三名獨立非執行董事。年內及直至本年報日期，董事會成員為：

執行董事

王美艷女士
陳偉璋先生
金玉萍女士
藍永強先生

非執行董事

趙瀚琦女士（於二零一五年五月二十八日獲調任，並於二零一五年九月十一日辭任）

獨立非執行董事

李凱恩先生
王靖華先生
趙瀚琦女士（於二零一五年三月六日獲委任並於二零一五年五月二十八日獲調任為非執行董事）
馮南山先生（於二零一五年五月二十八日獲委任）

董事委任、重選及輪替

全體董事並無獲委以特定任期，根據本公司之組織章程細則第108條，彼等均須最少每三年一次，輪流於股東週年大會上由股東重選連任。退任董事符合資格於股東週年大會上膺選連任，以及應繼續於其退任之大會上擔任董事。倘董事會出缺，提名委員會可向董事會建議人選，更多詳情於下文提名委員會一節闡述。

董事培訓

董事獲委任加入董事會後，將獲得一套關於本集團之介紹資料，並獲高級管理人員提供對本集團業務之全面介紹。該套資料包括一份香港公司註冊處發行之「董事責任指引」。本公司鼓勵全體董事參與持續專業發展，對知識及技能溫故知新。

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Biographical details of the Directors of the Company as at the date of this annual report are set out in the “Biographical Details of Directors” section on pages 19 to 20 of this annual report. None of the Directors has any financial, business, family or other material or relevant relationships among members of the Board.

The Company has received an annual confirmation of independence from each of its independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules. Based on the contents of such confirmation, the Company considers that the three independent non-executive Directors are independent and that they have met the specific independence guidelines as set out in Rule 3.13 of the Listing Rules.

During the year ended 31 December 2015, 17 full Board meetings, one AGM and one EGM were held and details of attendance are set out as follows:

於本年報日期，本公司董事履歷詳情載於本年報第19頁至第20頁「董事履歷詳情」一節。董事會成員之間並無任何財務、業務、家庭或其他重大或相關關係。

根據上市規則第3.13條，本公司已收到各獨立非執行董事一份年度獨立確認書。根據有關確認書內容，本公司認為三名獨立非執行董事均獨立於本公司，且符合上市規則第3.13條所載之特定獨立指引。

截至二零一五年十二月三十一日止年度，本公司舉行十七次全體董事會會議、一次股東週年大會及一次股東特別大會，各董事之出席率詳述如下：

		Number of Board meetings attended/eligible to attend 出席／合資格出席 董事會會議次數	AGM/EGM 股東週年／特別大會
Executive Directors		執行董事	
Ms. Wang Meiyang	王美艷女士	14/17	0/2
Mr. Chan Wai Cheung Admiral	陳偉璋先生	17/17	2/2
Ms. Jin Yuping	金玉萍女士	17/17	0/2
Mr. Lan Yongqiang	藍永強先生	17/17	0/2
Non-Executive Director		非執行董事	
Ms. Zhao Hanqi (<i>Re-designed on 28 May 2015 and resigned on 11 September 2015</i>)	趙瀚琦女士 (於二零一五年五月二十八日獲調任，並於二零一五年九月十一日辭任)	3/7	0/1
Independent Non-Executive Directors		獨立非執行董事	
Mr. Lee Hoi Yan	李凱恩先生	17/17	1/2
Mr. Wang Jinghua	王靖華先生	17/17	0/2
Ms. Zhao Hanqi (<i>Appointed on 6 March 2015 and re-designed as non-executive Director on 28 May 2015</i>)	趙瀚琦女士 (於二零一五年三月六日獲委任並於二零一五年五月二十八日獲調任為非執行董事)	3/4	0/1
Mr. Fung Nam Shan (<i>Appointed on 28 May 2015</i>)	馮南山先生 (於二零一五年五月二十八日獲委任)	12/12	1/2

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Every Board member has full and timely access to Board papers and related materials and has unrestricted access to the advice and services of the company secretary, and has the liberty to seek external professional advice if so required. The company secretary continuously updates all Directors on the latest development of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practice.

The Company has attached much importance to the risk management about Directors' liabilities and has arranged appropriate liability insurance for Directors and senior management of the Company. The insurance coverage is reviewed on an annual basis.

REMUNERATION COMMITTEE

The remuneration committee, established in compliance with the CG Code, currently comprises three independent non-executive Directors and one executive Director, is responsible for reviewing and evaluating the remuneration packages of the executive Directors and senior management of the Company and making recommendations to the Board from time to time.

The remuneration committee has adopted written terms of reference prepared by reference to the suggested terms of reference stated under the Code Provision B.1.2 of the CG Code.

The terms of reference of the remuneration committee have been uploaded to the Company's website and its official website for corporate communications.

During the year ended 31 December 2015, the remuneration committee held three meetings to review the remuneration package of the Board members and the senior management. Composition of the remuneration committee and details of members' attendance to the committee are as follows:

每位董事會成員均可全面並適時查閱董事會文件及相關資料，並可隨時取得公司秘書之意見和享用其所提供之服務，及有自由在需要時尋求外部專業意見。公司秘書會不斷向所有董事提供上市規則及其他適用監管規定之最新發展，以確保本公司遵守及維持良好企業管治常規。

本公司非常重視對董事責任之危機管理，並已就董事及本公司高級管理層安排適當責任保險。保險保障範圍會每年檢討。

薪酬委員會

本公司遵照企業管治守則成立薪酬委員會，現時成員包括三名獨立非執行董事及一名執行董事，負責審閱及評估本公司執行董事及高級管理層之薪酬待遇，並不時向董事會提供推薦建議。

薪酬委員會已採用根據企業管治守則之守則條文B.1.2條所述之建議職權範圍而編製之明文職權範圍。

薪酬委員會之職權範圍已上載至本公司網站及其供公司通訊用途之正式網站。

截至二零一五年十二月三十一日止年度，薪酬委員會舉行了三次會議，以檢討董事會成員及高級管理層之薪酬待遇。薪酬委員會之組成及委員會成員之出席率詳述如下：

		Number of meetings attended/eligible to attend 出席／合資格出席會議次數
Mr. Lee Hoi Yan	李凱恩先生	3/3
Mr. Wang Jinghua	王靖華先生	3/3
Ms. Zhao Hanqi (<i>Appointed on 6 March 2015 and ceased to be a member on 28 May 2015</i>)	趙瀚琦女士 (於二零一五年三月六日獲委任，並於二零一五年五月二十八日不再擔任成員)	1/2
Mr. Chan Wai Cheung Admiral (<i>Appointed on 27 March 2015</i>)	陳偉璋先生 (於二零一五年三月二十七日獲委任)	1/1
Mr. Fung Nam Shan (<i>Appointed on 28 May 2015</i>)	馮南山先生 (於二零一五年五月二十八日獲委任)	1/1

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NOMINATION COMMITTEE

The nomination committee, established in compliance with the CG Code, currently comprises three independent non-executive Directors and one executive Director, is responsible for making recommendations to the Board on the appointment of Directors and management of the Board succession.

The nomination committee has adopted written terms of reference prepared by reference to the suggested terms of reference stated under the Code Provision A.5.2 of the CG Code.

The terms of reference of the nomination committee have been uploaded to the Company's website and its official website for corporate communications.

During the year 2015, three meetings of the nomination committee were held. Details of members' attendance to the committee are as follows:

提名委員會

本公司遵照企業管治守則成立提名委員會，現時成員包括三名獨立非執行董事及一名執行董事，負責就委任董事及董事會管理層之繼任事宜向董事會提供推薦建議。

提名委員會已採用根據企業管治守則之守則條文A.5.2條所述之建議職權範圍而編製之明文職權範圍。

提名委員會之職權範圍已上載至本公司網站及其供公司通訊用途之正式網站。

於二零一五年，提名委員會舉行過三次會議。成員出席委員會之詳情如下：

		Number of meetings attended/eligible to attend 出席／合資格 出席會議次數
Mr. Lee Hoi Yan	李凱恩先生	3/3
Mr. Wang Jinghua	王靖華先生	3/3
Ms. Zhao Hanqi (<i>Appointed on 6 March 2015 and ceased to be a member on 28 May 2015</i>)	趙瀚琦女士 (於二零一五年三月六日 獲委任，並於二零一五年五月二十八日 不再擔任成員)	2/2
Mr. Chan Wai Cheung Admiral (<i>Appointed on 27 March 2015</i>)	陳偉璋先生 (於二零一五年 三月二十七日獲委任)	1/1
Mr. Fung Nam Shan (<i>Appointed on 28 May 2015</i>)	馮南山先生 (於二零一五年 五月二十八日獲委任)	N/A 不適用

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AUDIT COMMITTEE

The audit committee of the Company was established with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the suggested terms of reference stated under the Code Provision C.3 of the CG Code. The audit committee currently comprises three independent non-executive Directors and is chaired by Mr. Lee Hoi Yan. The audit committee is responsible for review of the Group's accounting principles, practices internal control procedures and financial reporting matters including the review of the interim and final results of the Group prior to recommending to the Board for approval.

The terms of reference of the audit committee have been uploaded to the Company's website and its official website for corporate communications.

Three meetings of the audit committee were held during the year to approve the financial statements of the Company for the year ended 31 December 2014 and for the six months period ended 30 June 2015 and grant the share options. During the year, the Board conducted a review of the effectiveness of the system of internal control of the Group covering all material financial, operational and compliance controls and risk management functions. One of the audit committee meetings was held to review this internal control of the Company and the internal weakness report submitted by the independent auditor, and the audit committee was satisfied that such systems are effective and adequate. The attendances at these meetings are as follows:

審核委員會

本公司之審核委員會已根據上市規則第3.21條及企業管治守則之守則條文C.3條所述之建議職權範圍而編製之明文職權範圍所成立。審核委員會目前由三名獨立非執行董事組成，主席為李凱恩先生。審核委員會負責審閱本集團之會計原則、常規內部監控程序及財務匯報事項，包括於建議董事會批准前，審閱本集團之中期及年度業績。

審核委員會之職權範圍已上載至本公司網站及其供公司通訊用途之正式網站。

年內審核委員會已舉行三次會議，以審批本公司截至二零一四年十二月三十一日止年度及截至二零一五年六月三十日止六個月期間之財務報表及授出購股權。年內，董事會檢討本集團之內部監控系統之效能，該內部監控系統涵蓋所有重大財務、營運及合規控制及風險管理職能。審核委員會已舉行一次會議，檢討本公司內部監控以及獨立核數師提交之內部不足報告，而審核委員會信納該系統屬有效及充足。該等會議之出席率列載如下：

		Number of meetings attended/eligible to attend 出席／合資格 出席會議次數
Mr. Lee Hoi Yan	李凱恩先生	3/3
Mr. Wang Jinghua	王靖華先生	3/3
Ms. Zhao Hanqi (<i>Appointed on 6 March 2015 and ceased to be a member on 28 May 2015</i>)	趙瀚琦女士（於二零一五年三月六日 獲委任，並於二零一五年五月二十八日 不再擔任成員）	1/2
Mr. Fung Nam Shan (<i>Appointed on 28 May 2015</i>)	馮南山先生（於二零一五年 五月二十八日獲委任）	1/1

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AUDITOR'S REMUNERATION

The audit committee reviews and monitors the independent auditor's independence and objectivity and effectiveness of the audit process. It receives each year the letter from the independent auditor confirming their independence and objectivity and holds meetings with representatives of the independent auditor to consider the scope of its audit, approve its fees, and the scope and appropriateness of non-audit services, if any, to be provided by it. The audit committee also makes recommendations to the Board on the appointment and retention of the independent auditor.

During the year, BDO Limited was appointed as the auditor of the Company and to hold office until the conclusion of the next AGM of the Company.

The following table sets forth the type of, and estimated fees for, the principal audit services and non-audit services provided by BDO Limited to the Group for the year ended 31 December 2015:

		Services rendered Fees paid/payable HK\$'000 所提供服務 已付／應付費用 千港元
Audit services	核數服務	998
Non-audit services	非核數服務	—
Total	共計	998

INTERNAL CONTROL

The Company endeavors to implement a sound risk management and internal control system. The Board is responsible for maintaining an adequate internal control system to safeguard Shareholder investments and Company's assets, and reviewing the effectiveness of such system on an annual basis, as well as through the audit committee. For the year ended 31 December 2015, the audit committee reported to the Board on any material issues and inadequate measures and made recommendations to the Board.

核數師酬金

審核委員會檢討及監督獨立核數師之獨立性及審核過程之客觀性及效能。審核委員會每年接獲獨立核數師發出之函件，確認其獨立性及客觀性，並與獨立核數師之代表舉行會議，考慮審核範圍，批准其費用，以及其將提供之非審核服務（如有）之範圍及是否適當。審核委員會亦就委聘及續聘獨立核數師向董事會提出推薦建議。

年內，香港立信德豪會計師事務所有限公司獲委聘為本公司之核數師，並留任至本公司下一屆股東週年大會完結為止。

下表載列截至二零一五年十二月三十一日止年度由香港立信德豪會計師事務所有限公司提供予本集團之主要核數服務及非核數服務之種類及估計收費：

內部監控

本公司致力執行穩健風險管理及內部監控制度。董事會負責維持足以保障股東投資及本公司資產之內部監控制度，及每年檢討其有效性，並透過審核委員會推行上述工作。截至二零一五年十二月三十一日止年度，審核委員會已就任何重大事宜及不足措施向董事會匯報及對其作出建議。

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COMPANY SECRETARY

Mr. Wong Siu Keung, Joe has been the Company Secretary of the Company since May 2011. Mr. Wong is a member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. He reports to the Board and assists the Board in functioning effectively and efficiently.

During the year 2015, Mr. Wong has confirmed that he has taken no less than 15 hours of relevant professional training to update his skill and knowledge.

SHAREHOLDERS' RIGHT

The rights of Shareholders and the procedures for them to demand a poll on resolutions at Shareholders' meetings are contained in the Company's Articles of Association. Details of such rights to demand a poll and the poll procedures are included in all circulars to Shareholders prior to 31 December 2015 and will be explained during the proceedings of meetings. Poll results, if any, will be posted on both the websites of the Stock Exchange and the Company no later than 30 minutes before the earlier of the morning session or any pre-opening session on the next business day of the Shareholders' meeting.

Convening of Extraordinary General Meeting

Pursuant to Article 64 of the Articles of Association of the Company, an EGM shall be convened on the written requisition of one or more Shareholders of the Company for the attention of the Board or the Company Secretary.

The written requisition shall specify the purpose of requiring the EGM and signed by the requisitioner(s), provided that such requisitioner(s) held as at the date of deposit of the written requisition not less than one tenth of the paid up capital of the Company having the right of voting at general meetings.

If within 21 days of such deposit the Directors fail to proceed to convene the EGM, the requisitioner(s) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Directors shall be reimbursed to the requisitioner(s) by the Company.

公司秘書

黃兆強先生由二零一一年五月起擔任本公司之公司秘書。黃先生為香港會計師公會會員及英國特許公認會計師公會之資深會員。彼向董事會報告及協助董事會以有效率及具效能之方式操作。

於二零一五年，黃先生確認，彼已接受不少於十五個小時之相關專業培訓，更新其技能及知識。

股東權利

股東要求在股東大會就決議案以投票方式表決之權利及程序載於本公司章程細則。要求以投票方式表決之有關權利及投票程序詳情載於二零一五年十二月三十一日前寄發予股東之所有通函，並將於會議上予以說明。投票結果（如有）將不遲於股東大會後下一個營業日之早市或開市前時段（以較早者為準）前30分鐘刊登於聯交所及本公司網站。

召開股東特別大會

根據本公司章程細則第64條，一名或以上之本公司股東可向董事會或公司秘書提交書面要求，召開股東特別大會。

書面要求須列明要求召開股東特別大會之目的，並由要求者簽署，惟該一名或多名人士於提交書面要求之日期，須持有不少於本公司有權於股東大會上投票之實繳股本十分之一。

倘董事於提出該項要求後21日內未能召開股東特別大會，提出的一名或多名人士可以相同方式召開大會，而本公司須向提出要求人士償付所有由提出要求人士因董事未能召開大會而產生之合理開支。

CORPORATE GOVERNANCE REPORT

企業管治報告

Procedures for Shareholders to propose a person for election as a Director

Pursuant to Article 113 of the Articles of Association of the Company, no person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office at least seven clear days before the date of the general meeting.

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director at the AGM, the following documents must be validly served at the Company's head office or the registration office within the period specified in Article 113 of the Articles of Association of the Company, namely, (1) his/her notice of intention to propose a resolution to elect a nominated candidate as a Director at the AGM; (2) a notice signed by the nominated candidate of the candidate's willingness to be elected; (3) the nominated candidate's information as required to be disclosed under rule 13.51(2) of the Listing Rules; and (4) the nominated candidate's written consent to the publication of his/her personal data.

INVESTOR RELATIONS

The general meetings of the Company provide a platform for communication between the Shareholders and the Board. Our Directors are available at the Shareholders' meetings of the Company to answer questions and provide information which Shareholders may enquire. The Company continues to enhance communications and relationships with its investors. Enquiries from investors are dealt with in an informative and timely manner.

Taking advantages of various resources, the Company keeps communicating with its Shareholders regularly and properly to ensure that Shareholders are adequately aware of any important issues during the course of the Company's operations, and then exercise their rights as Shareholders with sufficient knowledge. Investors are welcome to write directly to the Company at its Hong Kong registered office for any inquiries.

股東提名董事候選人之程序

根據本公司章程細則第113條，除退任之董事外，概無人士合乎資格於股東大會內膺選董事職位（獲董事會推薦參選者則除外），除非有簽署確認表明有意提名該人士參選董事的書面通知，連同該受提名人士確認有意參選的書面通知書於股東大會日期前至少七個整日前遞交至本公司總辦事處或註冊辦事處。

因此，倘一名股東有意提名他人於股東週年大會上參選董事，則須於本公司章程細則第113條指定的期間內將下列文件送達本公司的總辦事處或註冊辦事處，即(1)該名股東於股東週年大會上提呈推選該獲提名候選人出任董事的決議案的意向通知書；(2)由獲提名候選人簽署表明其願意參選的通知書；(3)根據上市規則第13.51(2)條規定須予披露的獲提名候選人資料；及(4)獲提名候選人有關刊登其個人資料的同意書。

投資者關係

本公司之股東大會為股東及董事會提供了一個溝通平台。本公司董事將於本公司股東大會上回答問題，並提供股東可能問詢之資料。本公司繼續加強與投資者之溝通及關係。投資者查詢乃以充分數據及時作出處理。

本公司利用各種資源，與股東保持定期及適時之溝通，以確保股東充分獲悉本公司業務過程中之任何重要事項，並在知情情況下行使其當時作為股東之權利。如有任何查詢，投資者可直接致函本公司之香港註冊辦事處。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

The Board acknowledges that it is responsible for the preparation of financial statements of the Group and for ensuring that financial statements are prepared in accordance with statutory requirements and applicable accounting standards. The Board also ensures the timely publication of financial statements of the Group. The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the external auditor of the Company, BDO Limited, about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report on pages 43 to 47 of this annual report.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. As such, all the resolutions set out in the notice of the AGM will be voted by poll.

董事就編製財務報表所承擔之責任

董事會明白其負責編製本集團之財務報表，以確保本集團之財務報表之編製符合所有有關法規及適用會計準則之規定。董事會亦須確保本集團財務報表適時刊發。董事經作出一切合理查詢後確認，就彼等所知、所悉及所信，彼等並不知悉存在任何重大不確定因素而可能引致對本公司之持續經營能力造成重大疑慮之事件或情況。

本公司之外部核數師香港立信德豪會計師事務所有限公司就彼等對本集團財務報表之申報責任作出之聲明載於本年報第43頁至第47頁之獨立核數師報告。

投票表決

根據上市規則第13.39(4)條，股東於股東大會上之任何表決均須以投票方式進行。因此，股東週年大會通告所載全部決議案均將以投票方式進行表決。

REPORT OF THE DIRECTORS

董事會報告

The Directors present their report and the audited financial statements of the Group for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Its principal subsidiaries are engaged in the supply of heat and electricity, the oil production and the operation of liquid chemical terminal, storage and logistics facilities.

Details of the Company's principal subsidiaries as at 31 December 2015 are set out in note 35 to the financial statements.

RESULTS AND DIVIDEND

The Group's loss for the year ended 31 December 2015 and the state of affairs of the Company and the Group at that date are set out in the financial statements on pages 48 to 172. The Directors do not recommend the payment of any dividend in respect of the year.

SUMMARY FINANCIAL INFORMATION

The following is a summary of the published consolidated results of the Group for the years ended 31 December 2011, 2012, 2013, 2014, and 2015, and the assets, liabilities and non-controlling interests of the Group as at each of the reporting date.

RESULTS

		Year ended 31 December 截至十二月三十一日止年度				
		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元	2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Revenue	收益	87,480	227,923	292,057	307,131	231,388
Loss attributable to:	應佔虧損：					
Owners of the Company	本公司擁有人	(492,568)	(673,621)	(346,802)	(332,719)	(61,750)
Non-controlling interests	非控股股東權益	(39,408)	(86,153)	(7,534)	(910)	(3,640)
		(531,976)	(759,774)	(354,336)	(333,629)	(65,390)

董事會謹提呈本集團截至二零一五年十二月三十一日止年度之董事會報告及經審核財務報表。

主要業務

本公司之主要業務為投資控股。其主要附屬公司從事熱電供應、產油及經營液體化工品碼頭、儲存及物流設施。

本公司於二零一五年十二月三十一日之主要附屬公司之詳情載於財務報表附註35。

業績及股息

本集團截至二零一五年十二月三十一日止年度之虧損，以及本公司與本集團於該日之財務狀況載於第48至第172頁之財務報表。董事會不建議派付本年度之任何股息。

財務資料概要

下文載有本集團截至二零一一年、二零一二年、二零一三年、二零一四年及二零一五年十二月三十一日止各年度之已刊登綜合業績以及本集團於各報告日期之資產、負債及非控股股東權益之概要。

業績

REPORT OF THE DIRECTORS

董事會報告

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

資產、負債及非控股股東權益

		Year ended 31 December 截至十二月三十一日止年度				
		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元	2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元	2011 HK\$'000 二零一一年 千港元
Non-current assets	非流動資產	1,115,057	1,257,568	2,112,535	2,543,343	2,948,495
Current assets	流動資產	395,769	122,577	152,984	174,084	197,219
Total assets	資產總值	1,510,826	1,380,145	2,265,519	2,717,427	3,145,714
Current liabilities	流動負債	500,682	216,374	235,271	193,688	205,888
Non-current liabilities	非流動負債	322,933	305,846	443,065	557,655	674,006
Total liabilities	負債總額	823,615	522,220	678,336	751,343	879,894
Net assets	資產淨值	687,211	857,925	1,587,183	1,966,084	2,265,820
Non-controlling interests	非控股股東權益	134,411	24,361	111,776	155,780	150,547

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Company and the Group during the year are set out in note 14 to the financial statements.

SHARE CAPITAL

Details of the movements in the share capital during the year together with the reasons therefore, are set out in note 30 to the financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

物業、廠房及設備

本公司及本集團物業、廠房及設備於年內之變動詳情載於財務報表附註14。

股本

年內，股本之變動詳情連同變動之理由載於財務報表附註30。

優先購買權

本公司之章程細則或本公司註冊成立之司法管轄權區開曼群島法例並無關於優先購買權之條文，使本公司須按比例向現有股東提呈發售新股。

REPORT OF THE DIRECTORS

董事會報告

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 31(b) to the financial statements and in the consolidated statement of changes in equity respectively.

DISTRIBUTABLE RESERVES

Under the Companies Law (Revised) of the Cayman Islands, the share premium account of the Company of approximately HK\$2,364 million as at 31 December 2015, is distributable to the Shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business. The share premium account may also be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the sales to the Group's five largest customers accounted for approximately 97% of the Group's total sales for the year and sales to the largest customer included therein amounted to approximately 46%.

Purchases from the Group's five largest suppliers accounted for approximately 38% of the total purchases for the year and purchases from the largest supplier included therein amounted to approximately 9%.

None of the Directors of the Company, any of their associates or Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital), had any beneficial interests in the Group's five largest customers and/or suppliers.

購買、贖回或出售本公司之上市證券

本公司或其任何附屬公司於本年度並無購買、贖回或出售本公司任何上市證券。

儲備

年內，本公司及本集團之儲備變動詳情分別載於財務報表附註31(b)及綜合權益變動表。

可供分派儲備

根據開曼群島公司法（經修訂），本公司於二零一五年十二月三十一日之股份溢價賬約為23.64億港元，乃可供分派予本公司股東，條件為於緊隨建議分派股息日期後，本公司將有能力償付日常業務過程中到期應付之債務。股份溢價賬亦可以繳足紅股方式分派。

主要客戶及供應商

年內，銷售予本集團五大客戶之數額佔本集團本年度總銷售額約97%，當中銷售予最大客戶之數額約佔46%。

本集團向五大供應商採購之數額佔本集團本年度總採購額約38%，當中向最大供應商採購之數額約佔9%。

本公司之董事、其各自之任何聯繫人或股東（據董事所知擁有本公司已發行股本逾5%者），概無於本集團五大客戶及／或供應商中擁有任何實質權益。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The Board members during the year and up to the date of this annual report were:

Executive Directors

Mr. Chan Wai Cheung Admiral
Ms. Wang Meiyun
Ms. Jin Yuping
Mr. Lan Yongqiang

Non-Executive Director

Ms. Zhao Hangi (*Re-designed on 28 May 2015 and resigned on 11 September 2015*)

Independent Non-executive Directors

Mr. Lee Hoi Yan
Mr. Wang Jinghua
Ms. Zhao Hanqi (*Appointed on 6 March 2015 and re-designed as non-executive of Director on 28 May 2015*)

Mr. Fung Nam Shan (*Appointed on 28 May 2015*)

In accordance with Article 108(A) of the Company's Articles of Association, certain Directors will retire by rotation at the forthcoming AGM and are eligible to offer themselves for re-election as Directors. Details of the resolutions to be proposed at the forthcoming AGM for the re-election of retiring Directors will be proposed in the Company's circular in relation to re-election of Directors and notice of AGM.

BIOGRAPHICAL DETAILS OF DIRECTORS

Biographical details of the Directors of the Company are set out on pages 19 to 20 of the annual report.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

董事

年內及截至本年報日期，董事會成員如下：

執行董事

陳偉璋先生
王美艷女士
金玉萍女士
藍永強先生

非執行董事

趙瀚琦女士（於二零一五年五月二十八日獲調任，並於二零一五年九月十一日辭任）

獨立非執行董事

李凱恩先生
王靖華先生
趙瀚琦女士（於二零一五年三月六日獲委任，並於二零一五年五月二十八日獲調任為非執行董事）
馮南山先生（於二零一五年五月二十八日獲委任）

根據本公司章程細則第108(A)條，若干董事將於即將舉行之股東週年大會上輪值告退，並符合資格及願膺選連任董事。就重選退任董事將於應屆股東週年大會上提呈的決議案詳情將於有關重選董事及股東週年大會通告的本公司通函內提呈。

董事履歷詳情

本公司董事履歷詳情載於本年報第19頁至第20頁。

董事之服務合約

被提名於即將舉行之股東週年大會上重選之董事，概無與本公司訂立任何本公司不能於一年內免付賠償（法定賠償除外）而予以終止之服務合約。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed elsewhere in this annual report, no Director had a significant beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or were in existence during the year.

PENSION SCHEME ARRANGEMENT

Particulars of the pension scheme arrangements are set out in note 3(u) to the financial statements.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2015, none of the Directors and chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were required to be entered in the register referred to therein pursuant to section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 to the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事之合約權益

除本年報其他部分所披露者外，董事概無於本公司或其任何附屬公司於年內訂立而與本集團業務有重大關係之任何合約中直接或間接擁有重大實質權益。

管理合約

年內並無訂立或存在有關本公司整體或任何重大部分業務之管理及行政合約。

退休金計劃安排

退休金計劃安排之詳情載於財務報表附註3(u)。

董事於股份、相關股份及債券之權益及淡倉

於二零一五年十二月三十一日，本公司董事及主要行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債券中擁有任何已根據證券及期貨條例第XV部第7及8分部通知本公司及聯交所，或須根據證券及期貨條例第352條規定於該規定所指之登記冊記錄，或須根據上市規則附錄十所載之標準守則通知本公司及聯交所之權益或淡倉。

董事購入股份或債券之權利

於年內任何時間，任何董事或其配偶或未滿18歲之子女概無獲授可藉購入本公司之股份或債券而獲益之權利，亦無行使有關權利；或本公司或其任何附屬公司亦無訂立任何安排，致使董事可收購任何其他法人團體之上述權利。

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2015, based on the disclosure of interest notices filings revealed by the Company from public records and so far as is known to the Directors or chief executive of the Company, the following person other than a Director or chief executive of the Company had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

主要股東於本公司股份及相關股份之權益及淡倉

於二零一五年十二月三十一日，根據本公司從公開記錄披露之權益披露申報及就本公司董事或主要行政人員所知，除本公司董事或主要行政人員外，以下人士於本公司股份及相關股份中擁有本公司根據證券及期貨條例第336條須予備存之登記冊中記錄之權益或淡倉：

Name of Shareholders 股東姓名	Interest in shares 股份權益		Interests in underlying shares 於相關股份之權益				Notes
	Personal Interests*	Corporate Interest*	Personal Interests*	Corporate Interest*	Aggregate interest 總權益	Approximate percentage [#] 概約百分比 [#]	
Mr. Liu Ran 劉燃先生	-	584,800,000	-	785,200,000	1,370,000,000	44.92%	1
Giant Crystal Limited 鉅晶有限公司	584,800,000	-	785,200,000	-	1,370,000,000	44.92%	1
Extra Gain Development Limited	-	584,800,000	-	785,200,000	1,370,000,000	44.92%	1
Grace Kind Holdings Limited 鑫都集團有限公司	-	584,800,000	-	785,200,000	1,370,000,000	44.92%	1
Media Forecast Limited	253,164,557	-	-	-	253,164,557	8.3%	3
Qin Zhiwen 秦志文	-	253,164,557	-	-	253,164,557	8.3%	3
Deng Zemin 鄧澤民	-	-	240,506,329	-	240,506,329	7.89%	-
Wang Jianxin 王建新	-	-	202,531,646	-	202,531,646	6.64%	-
Wang Dongqian 王東騫	40,000,000	-	113,924,051	-	153,924,051	5.05%	-

* Beneficial owner

* 實益擁有人

+ Interests of controlled corporation(s)

+ 受控制法團權益

Percentage which the aggregate long position in the shares or underlying shares represents to the issued share capital of the Company of 3,049,704,594 shares as at 31 December 2015

於股份或相關股份之好倉總額佔本公司於二零一五年十二月三十一日之已發行股本3,049,704,594股股份之百分比

Notes:

附註：

1. Giant Crystal Limited is a company incorporated under the laws of the British Virgin Islands. Giant Crystal Limited was owned as to 62.43% and 37.57% by Extra Gain Development Limited and 鑫都集團有限公司 respectively. Extra Gain Development Limited is the wholly-owned subsidiary of Grace Kind Holdings Limited. Liu's Trust is holding Company of Extra Gain Development Limited. Mr. Liu Ran is the beneficial owner of Liu's Trust. Extra Gain Development Limited, Grace Kind Holdings Limited, Mr. Liu Ran and 鑫都集團有限公司 therefore are deemed to be interested in 1,370,000,000 shares and 785,200,000 underlying shares held by Giant Crystal Limited.

1. 鉅晶有限公司為一間根據英屬處女群島法律註冊成立之公司。鉅晶有限公司分別由Extra Gain Development Limited及鑫都集團有限公司擁有62.43%及37.57%權益。Extra Gain Development Limited為Grace Kind Holdings Limited之全資附屬公司。Liu's Trust為Extra Gain Development Limited之控股公司。劉燃先生為Liu's Trust之實益擁有人。因此，Extra Gain Development Limited、Grace Kind Holdings Limited、劉燃先生及鑫都集團有限公司被視為擁有鉅晶有限公司所持有之1,370,000,000股股份及785,200,000股相關股份之權益。

REPORT OF THE DIRECTORS

董事會報告

785,200,000 underlying shares consist of shares to be issued upon the conversion of (i) the outstanding Tranche 1 Bonds (as defined in the circular of the Company dated 11 October 2010) (which, based on the conversion price of HK\$0.8 per share, can be converted into 263,600,000 shares); and (ii) the Tranche 2 Bonds (as defined in the circular of the Company dated 11 October 2010) (which, based on the conversion price of HK\$0.8 per share, can be converted into 521,600,000 shares).

2. The Tranche 2 Bonds and Tranche 4 Bonds have not been issued. Please refer to the Company's circulars dated 15 October 2007 and 6 June 2008 for details of the principal terms of the Tranche 2 Bonds and Tranche 4 Bonds respectively.

As disclosed in the Company's announcements dated 26 August and 27 August 2010 respectively and the Company's 2010 interim report, the Board, to its astonishment, found out that as from 31 January 2010 the exploration licence held by QHFSMI, an indirect wholly-owned subsidiary of the Company incorporated in the PRC, had been transferred to Yuen Xian Company without the Company's knowledge, consent or approval. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Yuen Xian Company is wholly-owned by Ms. Leung through HK Yuenxian. However, according to the terms and conditions of the Tranche 2 Bonds and Tranche 4 Bonds, the Tranche 2 Bonds and Tranche 4 Bonds will only be issued if the Mining Licence has been received by the Group. The Company is seeking legal advice from its legal advisers on whether the Company still has any obligation to issue the Tranche 2 Bonds and Tranche 4 Bonds to Ms. Leung in light of the present situation, in particular, in these circumstances where Ms. Leung has transferred the Group's exploration licence to her own company without the Company's knowledge, consent or approval.

3. Media Forecast Limited is a company incorporated under the laws of the British Virgin Islands, the entire issued share capital of which is legally and beneficially owned by Mr. Qin Zhiwen. Mr. Qin Zhiwen therefore deemed to be interested in 253,164,557 shares held by Media Forecast Limited.

該785,200,000股相關股份包括於轉換下列債券時發行之股份：(i)尚未行使之第一批債券（定義見本公司日期為二零一零年十月十一日之通函）（按轉換價每股0.8港元計算，可兌換為263,600,000股股份）；及(ii)第二批債券（定義見本公司日期為二零一零年十月十一日之通函）（按轉換價每股0.8港元計算，可兌換為521,600,000股股份）。

2. 第二批債券及第四批債券尚未發行。有關第二批債券及第四批債券之主要條款之詳情，請參閱本公司日期分別為二零零七年十月十五日及二零零八年六月六日之通函。

如本公司日期分別為二零一零年八月二十六日及二十七日之公佈及本公司二零一零年中期報告所披露，董事會驚訝發現，由本公司之間接全資附屬公司青海森源（於中國註冊成立）持有之勘探牌照已自二零一零年一月三十一日起轉讓予源森公司，而本公司並不知悉、同意或批准。董事經作出一切合理查詢後所知、所悉及所信，源森公司由梁女士透過香港源森全資擁有。然而，根據第二批債券及第四批債券之條款及條件，第二批債券及第四批債券僅在本集團收到開採牌照之情況下方會發行。本公司現正向其法律顧問尋求法律意見，以確定在現時情況下本公司是否仍有責任向梁女士發行第二批債券及第四批債券，特別是梁女士在本公司並不知悉、同意或批准之情況下已將本集團之勘探牌照轉讓予其本身之公司。

3. Media Forecast Limited為一間根據英屬處女群島法律註冊成立之公司，其全部已發行股本由秦志文先生合法及實益擁有。秦志文先生因此被視為於Media Forecast Limited持有之253,164,557股股份中擁有權益。

REPORT OF THE DIRECTORS

董事會報告

All the interests stated above represent long positions in the ordinary shares of the Company. As at 31 December 2015, no short positions were recorded in the register maintained by the Company under section 336 of the SFO.

Save as disclosed above, as far as the Directors are aware, no other person had an interest or short position in the Company's shares or underlying shares which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or which was recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed at the EGM of the Company held on 24 June 2013, the Stock Exchange granted approval of the listing of and permission to deal in the shares to be issued under the share option scheme (the "Share Option Scheme") on 26 June 2013. The purpose of the Share Option Scheme is to provide incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's Directors, employee, consultant, customer, supplier, agent, partner or adviser or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company. The Share Option Scheme was adopted on 24 June 2013 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. The Scheme will expire on 23 June 2023. There was no share option granted and exercised during the year under review and no outstanding share option as at 31 December 2015.

CONNECTED AND CONTINUING CONNECTED TRANSACTIONS

On 5 December 2012, Shanxi Zhong Kai Group Lingshi, a non wholly-owned subsidiary of the Company, entered into a master agreement with Shanxi Zhongkai Industry Group Company Limited ("Zhongkai Group"), whereby Shanxi Zhong Kai Group Lingshi will supply and Zhongkai Group and its subsidiaries will purchase such amount of electricity generated by Shanxi Zhong Kai Group Lingshi for a term of approximately 36 months, expiring on 31 December 2015. Details of the continuing connected transactions are as stated in the Company's announcement dated 5 December 2012 and the Company's circular dated 17 December 2012.

上述所有權益代表於本公司普通股之好倉。於二零一五年十二月三十一日，於本公司根據證券及期貨條例第336條存置之登記冊中並無淡倉之記錄。

除以上所披露者外，就董事所知，概無其他人士於本公司之股份或相關股份中擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露或須記錄於本公司根據證券及期貨條例第336條存置之登記冊中之權益或淡倉。

購股權計劃

根據本公司於二零一三年六月二十四日舉行之股東特別大會上通過之普通決議案，聯交所於二零一三年六月二十六日批准根據購股權計劃（「購股權計劃」）將予發行之股份上市及買賣。購股權計劃乃旨在獎勵及回饋對本集團營運業績的成功曾付出貢獻之合資格參與者。該計劃之合資格參與者包括本公司之董事以及本集團或本集團持有其權益之公司或該公司之附屬公司之僱員、顧問、客戶、供應商、代理商、夥伴、諮詢人或承包商。購股權計劃乃於二零一三年六月二十四日採納，除非另行註銷或修訂，否則由該日期起計十年維持有效。該計劃將於二零二三年六月二十三日屆滿。於回顧年度內概無授出或行使購股權，而於二零一五年十二月三十一日並無未行使之購股權。

關連及持續關連交易

於二零一二年十二月五日，本公司之非全資附屬公司山西中凱集團靈石與山西中凱實業集團有限公司（「中凱實業集團」）訂立一份總協議，據此，山西中凱集團靈石將供應而中凱實業集團及其附屬公司將購買山西中凱集團靈石所生產之有關數量之電力，該協議期限約為三十六個月，於二零一五年十二月三十一日到期。持續關連交易之詳情載於本公司日期為二零一二年十二月五日之公佈及本公司日期為二零一二年十二月十七日之通函內。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS

During the year, the Group entered into the following transaction with subsidiaries of Zhongkai Group, which constituted continuing connected transactions under the Listing Rules. Details of such transaction are as follows:

Nature of transaction	交易性質	Amount HK\$'000 金額 千港元
Sale of electricity by the Group	本集團銷售電力	14,514

Zhongkai Group, as a non-controlling shareholder of Shanxi Zhong Kai Group Lingshi, is a connected person under the Listing Rules.

Save as disclosed therein, there were no transactions required to be disclosed as connected transactions in accordance with the requirements of the Listing Rules.

The continuing connected transactions have been subject to annual review by the independent non-executive Directors of the Company pursuant to Rule 14A.37 of the Listing Rules and confirmation of the auditor of the Company pursuant to Rule 14A.38 of the Listing Rules.

In respect of the financial year ended 31 December 2015, the independent non-executive Directors of the Company have concluded that the continuing connected transaction has been entered into:

- in the ordinary and usual course of business of the Company;
- either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Company than terms available to or from (as appropriate) independent third parties; and
- in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

持續關連交易

於本年度，本集團與中凱實業集團之附屬公司有以下交易，其構成上市規則項下之持續關連交易。該等交易詳情如下：

Amount HK\$'000 金額 千港元
14,514

根據上市規則，山西中凱集團靈石之非控股股東中凱實業集團為關連人士。

除上文所披露者外，概無根據上市規則之規定須予披露之關連交易。

根據上市規則第14A.37條，持續關連交易須由本公司之獨立非執行董事每年進行審閱，而根據上市規則第14A.38條，須獲本公司核數師之確認。

就截至二零一五年十二月三十一日止財政年度，本公司之獨立非執行董事認為，持續關連交易已：

- 於本公司之日常一般業務過程中訂立；
- 按一般商業條款訂立，或如無相類交易足以判斷是否為一般商業條款，則按就本公司而言不遜於本公司向獨立第三方提供或由獨立第三方提供予本公司（如適用）之條款訂立；及
- 根據有關交易之相關協議按公平合理且符合本公司及股東整體利益之條款訂立。

REPORT OF THE DIRECTORS

董事會報告

The Board has engaged the auditor of the Company to perform certain agreed-upon procedures on the aforesaid continuing connected transaction. Based on the work performed, the auditor has issued a confirmation letter to the Board in accordance with Rule 14A.38 of the Listing Rules.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the year and up to the date of this report, no Directors are considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group, as defined by the Listing Rules, other than those businesses of which the Directors have been appointed as Directors to represent the interests of the Company and/or the Group.

CORPORATE GOVERNANCE

Particulars of the Company's corporate governance practices are set out in the Corporate Governance Report on pages 20 to 32 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirm that the Company maintained the amount of public float as required under the Listing Rules during the year ended 31 December 2015.

LITIGATIONS

Details of the litigations of the Group are set out in note 44 to the financial statements.

AUDIT COMMITTEE

The audit committee of the Company has reviewed with management the accounting principles and practices adopted by the Group, and discussed internal controls and financial reporting matters including a review of the audited financial statements of the Company for the year ended 31 December 2015. The audit committee comprises three independent non-executive Directors of the Company. During the year, two regular meetings of the audit committee have been held.

董事會已委任本公司核數師就上述持續關連交易執行若干議定程序。基於所執行之工作，核數師已根據上市規則第14A.38條向董事會出具確認書。

董事於競爭業務之權益

年內及直至本報告日期，概無董事被視為於與本集團業務直接或間接構成競爭或可能構成競爭之業務內擁有權益（有關競爭之定義見上市規則），惟董事獲委任出任董事以代表本公司及／或本集團之權益之業務則除外。

企業管治

本公司之企業管治常規詳情載於本年報第20頁至第32頁之企業管治報告中。

足夠公眾持股量

根據本公司可取得之公開資料及就董事所知，董事確認截至二零一五年十二月三十一日止年度，本公司維持上市規則所規定之足夠公眾持股量。

訴訟

本集團之訴訟之詳情載於財務報表附註44。

審核委員會

本公司之審核委員會已與管理層審閱本集團所採納之會計原則及慣例，並就內部監控及財務報告事宜進行討論，包括審閱本公司截至二零一五年十二月三十一日止年度之經審核財務報表。審核委員會成員包括本公司三名獨立非執行董事。於本年度，審核委員會已舉行兩次定期會議。

REPORT OF THE DIRECTORS

董事會報告

AUDITOR

The financial statements for the year ended 31 December 2015 were audited by BDO Limited ("BDO"). BDO retired and, being eligible, offer themselves for reappointment. A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint BDO as auditor of the Company.

On behalf of the Board

Mr. Chan Wai Cheung Admiral
Executive Director

Hong Kong, 25 April 2016

核數師

截至二零一五年十二月三十一日止年度之財務報表由香港立信德豪會計師事務所有限公司（「香港立信德豪」）審核。香港立信德豪將退任，並符合資格且願意應聘連任。本公司將於即將舉行之股東週年大會上提呈一項決議案，以重新委任香港立信德豪為本公司之核數師。

代表董事會

執行董事
陳偉璋先生

香港，二零一六年四月二十五日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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To the shareholders of
Energy International Investments Holdings Limited
(incorporated in the Cayman Islands with limited liability)

We were engaged to audit the consolidated financial statements of Energy International Investments Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 48 to 172, which comprise the consolidated statement of financial position as at 31 December 2015, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Except for the inability to obtain sufficient appropriate audit evidence as explained below, we conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement. Because of the matters described in the Basis for Disclaimer of Opinion paragraphs, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

致能源國際投資控股有限公司股東

(於開曼群島註冊成立的有限公司)

本核數師(以下簡稱「我們」)獲委聘審計列載於第48至172頁能源國際投資控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一五年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收入表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他附註解釋資料。

董事就綜合財務報表須承擔的責任

本公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定編製綜合財務報表,以令綜合財務報表作出真實而公平的反映,及落實其認為編製綜合財務報表所必要的內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表作出意見,並按照審計業務約定書的條文僅向整體股東報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

除了如下文所述未能取得充分適當的審計憑證外,我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。該等準則要求我們遵守道德規範,並規劃及執行審計,以合理確定綜合財務報表是否不存在任何重大錯誤陳述。然而,基於不發表意見之基準段落所述事宜,我們未能取得充分適當的審計憑證,作為審計意見之基準。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Basis for disclaimer of opinion

1. *Scope limitation - property, plant and equipment, intangible assets and deferred tax assets and liabilities*

As further set out in notes 14, 17 and 29 to the consolidated financial statements, included in the consolidated statement of financial position as at 31 December 2015 are property, plant and equipment (“PPE”), intangible assets (“Intangible Assets”) and net deferred tax liabilities with carrying amounts of HK\$46,167,000, HK\$557,821,000 and HK\$83,358,000 respectively. The PPE and Intangible Assets are collectively referred to as the “Oil Production Assets” in this report. The Oil Production Assets relate to the operation of oil production business, pursuant to the oil production sharing contract (the “Songliao Contract”) entered into with a state-owned enterprise engaged in oil exploration industry (the “State-owned Enterprise”) to develop and produce crude oil in Liangjing Block on Songliao Basin in Jilin, the People’s Republic of China (the “PRC”), details of which are set out in note 33 to the consolidated financial statements. The Songliao Contract was firstly entered into between the State-owned Enterprise and a company wholly owned by an individual (“Mr. A”) and the Group subsequently acquired the Songliao Contract through the acquisition of the company firstly entering into the Songliao Contract in 2010.

As further disclosed in note 17, as at 31 December 2015, the directors of the Company estimated the recoverable amount of the cash-generating unit to which the Oil Production Assets belong (the “Oil Production CGU”). As the carrying amounts of the Oil Production CGU exceeded its recoverable amount, impairment losses of HK\$408,954,000 and HK\$33,843,000 were recognised for the year ended 31 December 2015 on Intangible Assets and PPE respectively (“Impairment”). In estimating the recoverable amount, the directors of the Company have assumed that the Songliao Contract will remain valid and the Group’s oil production business will continue in operation throughout the Songliao Contract period.

不發表意見之基準

1. 範圍限制－物業、廠房及設備、無形資產及遞延稅項資產及負債

誠如綜合財務報表附註14、17及29所述，計入二零一五年十二月三十一日綜合財務狀況表的物業、廠房及設備（「物業、廠房及設備」）、無形資產（「無形資產」）及遞延稅項負債淨額的賬面值分別為46,167,000港元、557,821,000港元及83,358,000港元。物業、廠房及設備以及無形資產於本報告中統稱為「產油資產」。根據與一家從事石油勘探行業的國有企業（「國有企業」）訂立以於中華人民共和國（「中國」）吉林松遼盆地兩井區塊開發及生產原油的產油業務共享合約（「松遼合約」），詳情載於綜合財務報表附註33，產油資產與產油業務營運相關。松遼合約最初由國有企業與一家由個人（「A先生」）全資擁有的公司訂立，其後 貴集團透過於二零一零年收購最初訂立松遼合約的公司而收購松遼合約。

誠如附註17所詳細披露，於二零一五年十二月三十一日，貴公司董事已估計產油資產所屬現金產生單位（「產油現金產生單位」）的可收回金額。由於產油現金產生單位的賬面值超過其可收回金額，截至二零一五年十二月三十一日止年度就無形資產及物業、廠房及設備分別確認減值虧損408,954,000港元及33,843,000港元（「減值」）。在估計可收回金額時，貴公司董事乃假設松遼合約將保持有效，且 貴集團的產油業務於松遼合約期間將持續營運。

INDEPENDENT AUDITOR'S REPORT

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As explained in note 3(a)(i) to the consolidated financial statements, the directors of the Company found that Mr. A, the sole shareholder of the company firstly entering into the Songliao Contract at the relevant time, was formally charged by prosecution authorities in the PRC for illegal operation crime (the "Charge"), possibly involving allegations about improper conduct in obtaining the Songliao Contract. The directors of the Company have obtained the legal opinions in respect of the Charge which states that the Charge is only at a preliminary stage and it is not possible to estimate the outcome. The legal opinion also states that if Mr. A is found guilty for his suspected improper conduct in obtaining the Songliao Contract, this might render the Songliao Contract to become voidable and the State-owned Enterprise will be entitled to claim all economic benefits passed to the Group previously under the Songliao Contract from the Group. As a result, the Group may not be able to exercise its right under the Songliao Contract and its Intangible Assets and PPE may be fully impaired. In addition, corresponding adjustment may also be required to adjust the related net deferred tax liabilities accordingly.

However, as at the date of this report, there is no adjudication in respect of the Charge yet and the legal opinion obtained by the Company does not indicate the estimated outcome of the Charge. As a result, we are unable to obtain sufficient appropriate audit evidence concerning (i) the validity of the Songliao Contract and therefore the ownership of the Intangible Assets; (ii) whether the amount of Impairment was appropriately recognised; and (iii) whether any liabilities shall be recognised in the consolidated financial statements in respect of any claims to be initiated by the State-owned Enterprise. Any adjustments that might have been found to be necessary in respect of the above would have a consequential effect on the consolidated statement of financial position as at 31 December 2015, its financial performance for the year then ended and the related elements making up the consolidated statement of changes in equity and the consolidated statement of cash flows.

誠如綜合財務報表附註3(a)(i)進一步闡釋，貴公司董事知悉最初於相關時間訂立松遼合約的該公司唯一股東A先生遭中國檢察當局正式起訴非法經營罪（「該指控」），其中可能涉及其於獲得松遼合約時有不當行為。貴公司董事已就該指控取得法律意見，認為該指控僅處於初步階段，結果難以預計。法律意見亦表示，倘A先生被判在取得松遼合約時涉嫌不當行為，可能導致松遼合約成為無效，且國有企業將有權向貴集團索償根據松遼合約先前轉移予貴集團的所有經濟利益。因此，貴集團可能無法行使其於松遼合約下之權利，且其無形資產以及物業、廠房及設備或會全面減值。此外，可能亦須作出相應調整，以相應調整相關遞延稅項負債淨額。

然而，於本報告日期，該指控尚無任何裁決，且貴公司取得的法律意見並無指示該指控的估計結果。因此，我們未能就(i)松遼合約之有效性，因而對無形資產之擁有權；(ii)減值金額是否已適當地確認；及(iii)是否須就國有企業提請的任何申索在綜合財務報表中確認任何負債取得充足適當的審計憑證。如需就上述各項作出任何調整，將對於二零一五年十二月三十一日之綜合財務狀況表、截至該日止年度之財務表現及綜合權益變動表及綜合現金流量表之相關組成部分造成相應影響。

INDEPENDENT AUDITOR'S REPORT

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2. *Uncertainties relating to going concern*

As at 31 December 2015, the Group had net current liabilities of HK\$104,913,000 and incurred a loss of HK\$531,976,000 for the year ended 31 December 2015. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

Notwithstanding the foregoing, the directors of the Company have prepared the consolidated financial statements on a going concern basis, the appropriateness of which depends upon the outcome of the underlying assumptions as detailed in note 3(a)(ii) to the consolidated financial statements which include: (i) the Songliao Contract continues to be valid and the Group continues its oil production business, which is the basis on which the directors prepared the cash flow forecast for the next twelve months after 31 December 2015; and (ii) the Company's application for a new credit line of up to RMB800,000,000 from a bank in the PRC (the "Bank") for the coming 18 months would be successful. The banking facilities would be utilised in the development of the Group's oil and liquefied chemical terminal project.

However, if Mr. A is found guilty for his improper conduct in obtaining the Songliao Contract as mentioned in point 1 above, the Songliao Contract may become invalid and the Group may not be able to carry out the business relating to oil production as stipulated under the Songliao Contract and the State-owned Enterprise may be eligible to claim compensation for the economic benefits passed to the Group during the period of the Songliao Contract from the Group. As stated in the last paragraph of point 1 above, we are unable to obtain sufficient appropriate audit evidence concerning the validity of the Songliao Contract.

In respect of the Company's application for banking facilities, up to the date of approval of these consolidated financial statements, the Bank has not granted the abovementioned credit line. There were no alternative audit procedures that we can perform to obtain relevant audit evidence to assess the likelihood that the credit line would be available to the Group.

2. *有關持續經營的不確定因素*

於二零一五年十二月三十一日，貴集團擁有流動負債淨額104,913,000港元，並於截至二零一五年十二月三十一日止年度產生虧損531,976,000港元。該等狀況反映存在重大不確定因素，可能對貴集團之持續經營能力構成重大疑問。

儘管上文所述，貴公司董事已按持續經營基準編製綜合財務報表，其合適性主要取決於綜合財務報表附註3(a)(ii)所述的相關假設結果，包括：(i)松遼合約繼續生效及貴集團繼續其產油業務，此乃董事編製二零一五年十二月三十一日後未來十二個月現金流預測之基準；及(ii)貴公司成功自中國一家銀行（「該銀行」）申請於未來十八個月取得最高人民幣800,000,000元的新增信貸額度。該等銀行信貸將用於發展貴集團的油品及液體化工品碼頭項目。

然而，誠如上文第一項所述，倘A先生在取得松遼合約時行為不當的罪名成立，松遼合約可能成為無效，且貴集團可能無法進行松遼合約項下所規定與產油相關的業務，而國有企業可能有權向貴集團索賠於松遼合約期間轉移予貴集團的經濟利益。誠如上文第1項最後一段所述，我們未能就松遼合約的有效性取得充分適當的審計憑證。

關於貴公司的銀行信貸申請，於截至批准該等綜合財務報表之日，該銀行尚未授出上述信貸額度。我們無法透過其他審計程序取得相關審計憑證，以評估貴集團可取得信貸額度的可能性。

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Accordingly, we are unable to satisfy ourselves that whether it is appropriate to prepare the consolidated financial statements on a going concern basis. Should the going concern basis be considered inappropriate, adjustments would have to be made to write down the carrying amounts of the Group's assets to their estimated realisable values, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

Disclaimer of opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the consolidated financial statements and as to whether the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BDO Limited

Certified Public Accountants

Au Yiu Kwan

Practising Certificate Number P05018

Hong Kong, 25 April 2016

因此，我們無法信納按持續經營基準編製綜合財務報表是否恰當。倘認為持續經營基準並不恰當，則須進行調整，將貴集團資產的賬面值撇減至其估計可變現價值，並就可能產生之任何額外負債作出撥備，以及將非流動資產及非流動負債分別重新歸類為流動資產及流動負債。該等調整之影響並無於綜合財務報表內反映。

不發表意見

鑒於不發表意見之基準各段所述事宜之重要性，我們尚未能取得充分適當的審計憑證以提供審計意見基準。因此，我們不會就綜合財務報表，以及綜合財務報表是否已遵守香港公司條例之披露規定妥為編製發表意見。

香港立信德豪會計師事務所有限公司

執業會計師

歐耀均

執業證書編號 P05018

香港，二零一六年四月二十五日

CONSOLIDATED INCOME STATEMENT

綜合損益表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

		Notes	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
		附註		
Revenue	收益	5	87,480	227,923
Cost of sales	銷售成本		(131,917)	(210,464)
Gross (loss)/profit	(毛虧)/毛利		(44,437)	17,459
Other income	其他收入	5	1,229	8,979
Gain from bargain purchase	議價購買之收益	37	24,193	–
Selling and distribution expenses	銷售及分銷開支		(3,866)	(5,280)
Administrative expenses	行政開支		(42,495)	(31,222)
Other operating expenses	其他經營開支		(52,229)	(8,400)
Impairment loss of goodwill	商譽之減值虧損	16	–	(62,662)
Impairment loss of intangible assets	無形資產之減值虧損	17	(408,954)	(441,894)
Impairment loss of prepaid land lease payments	預付土地租賃款項之減值虧損	15	(6,106)	(17,032)
Impairment loss of property, plant and equipment	物業、廠房及設備之減值虧損	14	(82,461)	(360,592)
Finance costs	財務成本	7	(20,049)	(10,577)
Loss before income tax	除所得稅前虧損	8	(635,175)	(911,221)
Income tax credit	所得稅抵免	9	103,199	151,447
Loss for the year	本年度虧損		(531,976)	(759,774)
Loss for the year attributable to:	應佔本年度虧損：			
Owners of the Company	本公司擁有人		(492,568)	(673,621)
Non-controlling interests	非控股股東權益		(39,408)	(86,153)
			(531,976)	(759,774)
				(Restated) (經重列)
Loss per share for loss attributable to the owners of the Company	本公司擁有人應佔虧損之每股虧損	11		
– Basic and diluted	– 基本及攤薄		(HK cents 15.4港仙)	(HK cents 22.6港仙)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Loss for the year	本年度虧損	(531,976)	(759,774)
Other comprehensive income	其他全面收入		
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：		
Exchange losses on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌虧損	(7,273)	(10,338)
Other comprehensive income for the year	本年度其他全面收入	(7,273)	(10,338)
Total comprehensive income for the year	本年度全面收入總額	(539,249)	(770,112)
Total comprehensive income attributable to:	應佔全面收入總額：		
– Owners of the Company	– 本公司擁有人	(495,532)	(681,397)
– Non-controlling interests	– 非控股股東權益	(43,717)	(88,715)
		(539,249)	(770,112)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2015 於二零一五年十二月三十一日

		Notes	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
		附註		
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	383,943	214,864
Prepaid land lease payments	預付土地租賃款項	15	3,132	11,263
Intangible assets	無形資產	17	672,043	971,224
Deferred tax assets	遞延稅項資產	29	55,939	60,217
			1,115,057	1,257,568
Current assets	流動資產			
Inventories	存貨	18	925	2,995
Trade and bills receivables	應收貿易賬項及票據	19	34,085	36,564
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	20	97,659	5,972
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	21	24,818	–
Pledged bank deposits	已抵押銀行存款	22	22	1,003
Cash at banks and in hand	銀行結存及手頭現金	22	238,260	76,043
			395,769	122,577
Current liabilities	流動負債			
Trade payables	應付貿易賬項	23	11,172	17,907
Other payables and accruals	其他應付款項及應計款項	24	383,829	144,406
Amounts due to non-controlling shareholders	應付非控股股東款項	25	20,932	–
Bank borrowings	銀行借款	26	41,300	43,400
Other borrowings	其他借款	27	29,972	–
Convertible bonds	可換股債券	28	3,337	–
Tax payables	應付稅項		10,140	10,661
			500,682	216,374
Net current liabilities	流動負債淨值		(104,913)	(93,797)
Total assets less current liabilities	資產總值減流動負債		1,010,144	1,163,771

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2015 於二零一五年十二月三十一日

		Notes 附註	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Non-current liabilities	非流動負債			
Amount due to non-controlling shareholder	應付非控股股東款項	25	–	13,887
Other borrowings	其他借款	27	12,533	41,971
Convertible bonds	可換股債券	28	138,113	–
Deferred tax liabilities	遞延稅項負債	29	172,287	249,988
			322,933	305,846
Net assets	資產淨值		687,211	857,925
EQUITY	權益			
Equity attributable to the owners of the Company	本公司擁有人應佔權益			
Share capital	股本	30	304,970	198,408
Reserves	儲備	31	247,830	635,156
			552,800	833,564
Non-controlling interests	非控股股東權益		134,411	24,361
Total equity	總權益		687,211	857,925

Lan Yongqiang

藍永強

Director

董事

Chan Wai Cheung Admiral

陳偉璋

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

		Equity attributable to the owners of the Company 本公司擁有人應佔權益								
		Share capital	*Share premium	*Capital reserve	*Exchange reserve	*Convertible bond equity reserve	*Accumulated losses	Total	Non-controlling interests	Total equity
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		股本	*股份溢價	*資本儲備	*匯兌儲備	*可換股債券權益儲備	*累計虧損	總計	非控股股東權益	總權益
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2014	於二零一四年一月一日	174,708	2,241,459	158,473	28,851	479,663	(1,607,747)	1,475,407	111,776	1,587,183
Gain on extinguishment on the loan from non-controlling shareholder (note 25)	抵銷非控股股東貸款之收益 (附註25)	-	-	1,951	-	-	-	1,951	1,300	3,251
Issue of shares upon conversion of convertible bonds (note 28)	於兌換可換股債券時發行股份 (附註28)	13,700	57,558	-	-	(71,258)	-	-	-	-
Issue of shares for settlement of other borrowings (note 30(ii))	於清償其他借款時發行股份 (附註30(ii))	10,000	11,000	16,603	-	-	-	37,603	-	37,603
Transactions with owners	與擁有人之交易	23,700	68,558	18,554	-	(71,258)	-	39,554	1,300	40,854
Loss for the year	本年度虧損	-	-	-	-	-	(673,621)	(673,621)	(86,153)	(759,774)
Other comprehensive income	其他全面收入									
Exchange losses on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌虧損	-	-	-	(7,776)	-	-	(7,776)	(2,562)	(10,338)
Total comprehensive income for the year	本年度全面收入總額	-	-	-	(7,776)	-	(673,621)	(681,397)	(88,715)	(770,112)
At 31 December 2014	於二零一四年十二月三十一日	198,408	2,310,017	177,027	21,075	408,405	(2,281,368)	833,564	24,361	857,925
At 1 January 2015	於二零一五年一月一日	198,408	2,310,017	177,027	21,075	408,405	(2,281,368)	833,564	24,361	857,925
Acquisition of subsidiaries (note 37)	收購附屬公司 (附註37)	-	-	-	-	-	-	-	153,767	153,767
Issue of shares upon placing (note 30(i))	配售時發行股份 (附註30(i))	36,942	16,624	-	-	-	-	53,566	-	53,566
Share issue expenses	股份發行開支	-	(1,066)	-	-	-	-	(1,066)	-	(1,066)
Issue of convertible bonds (note 28)	發行可換股債券 (附註28)	-	-	-	-	85,742	-	85,742	-	85,742
Issue of shares upon conversion of convertible bonds (note 28)	兌換可換股債券時發行股份 (附註28)	69,620	38,345	-	-	(31,439)	-	76,526	-	76,526
Transactions with owners	與擁有人之交易	106,562	53,903	-	-	54,303	-	214,768	153,767	368,535
Loss for the year	本年度虧損	-	-	-	-	-	(492,568)	(492,568)	(39,408)	(531,976)
Other comprehensive income	其他全面收入									
Exchange losses on translation of financial statements of foreign operations	換算海外業務財務報表之匯兌虧損	-	-	-	(2,964)	-	-	(2,964)	(4,309)	(7,273)
Total comprehensive income for the year	本年度全面收入總額	-	-	-	(2,964)	-	(492,568)	(495,532)	(43,717)	(539,249)
At 31 December 2015	於二零一五年十二月三十一日	304,970	2,363,920	177,027	18,111	462,708	(2,773,936)	552,800	134,411	687,211

* The total of these reserve accounts comprise the consolidated reserves of HK\$247,830,000 (2014: HK\$635,156,000).

* 該等儲備賬目總額包括綜合儲備247,830,000港元 (二零一四年: 635,156,000港元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

	Notes 附註	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Cash flows from operating activities	經營業務現金流量		
Loss before income tax	除所得稅前虧損	(635,175)	(911,221)
Adjustments for:	就下列項目作出調整：		
Depreciation	折舊	43,220	47,638
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	679	696
Amortisation of intangible assets	無形資產攤銷	4,392	8,400
Impairment loss of goodwill	商譽減值虧損	–	62,662
Impairment loss of intangible assets	無形資產減值虧損	408,954	441,894
Impairment loss of prepaid land lease payments	預付土地租賃款項減值虧損	6,106	17,032
Impairment loss of property, plant and equipment	物業、廠房及設備減值虧損	82,461	360,592
Loss/(Gain) on disposals of property, plant and equipment	出售物業、廠房及設備虧損／(收益)	494	(59)
Fair value loss on financial assets at fair value through profit or loss	透過公平值計入損益之財務資產公平值虧損	126	–
Gain from bargain purchase	議價購買之收益	(24,193)	–
Gain on extinguishment of non-current borrowings	抵銷非流動借款之收益	–	(2,867)
Interest income	利息收入	(24)	(70)
Interest expenses	利息開支	20,049	10,577
Operating (loss)/profit before working capital changes	營運資金變動前之經營(虧損)／溢利	(92,911)	35,274
Decrease/(Increase) in inventories	存貨之減少／(增加)	1,925	(1,505)
Decrease in trade and bills receivables	應收貿易賬項及票據之減少	710	12,049
(Increase)/Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項之(增加)／減少	(77,447)	4,313
Payment to acquire financial assets at fair value through profit or loss	取得按公平值計入損益之財務資產之付款	(24,944)	–
Decrease in trade payables	應付貿易賬項之減少	(5,869)	(8,661)
Increase in other payables and accruals	其他應付款項及應計款項之增加	11,178	33,743
<i>Cash (used in)/generated from operations</i>	<i>營運(所用)／產生之現金</i>	(187,358)	75,213
Interest paid	已付利息	(6)	–
Income tax refunded	退回所得稅	1,704	653
<i>Net cash (used in)/generated from operating activities</i>	<i>經營業務(所用)／所得之現金淨額</i>	(185,660)	75,866

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Cash flows from investing activities	投資活動現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備	(59)	(62,152)
Proceeds on disposals of property, plant and equipment	出售物業、廠房及設備之所得款項	–	54
Net cash inflow arising on acquisition of subsidiaries	收購附屬公司之現金流入淨額	327	–
Decrease in pledged bank deposits	已抵押銀行存款減少	932	–
Interest received	已收利息	24	70
<i>Net cash generated from/(used in) investing activities</i>	<i>投資活動產生/(所用)之現金淨額</i>	1,224	(62,028)
Cash flows from financing activities	融資活動現金流量		
New bank borrowings	新銀行借款	–	43,190
New non-controlling shareholder's loan	新非控股股東貸款	–	6,352
New other borrowings	新增其他借款	231	–
Repayments of bank borrowings	償還銀行借款	–	(43,190)
Repayments of other borrowings	償還其他借款	–	(28,881)
Repayments to shareholder	向股東還款	–	(5,310)
Issue of new shares	發行新股份	52,500	–
Proceed from issue of convertible bonds	發行可換股債券之所得款項	294,450	–
<i>Net cash generated from/(used in) financing activities</i>	<i>融資活動產生/(所用)之現金淨額</i>	347,181	(27,839)
Net increase/(decrease) in cash and cash equivalents	現金及現金等值項目之增加/(減少)淨額	162,745	(14,001)
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值項目	76,043	90,121
Effect on foreign exchange rate changes	匯率變動之影響	(528)	(77)
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等值項目	238,260	76,043

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

1. GENERAL INFORMATION

Energy International Investments Holdings Limited (the “Company”) is a limited liability company incorporated and domiciled in the Cayman Islands. Registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Unit 1508, 15th Floor, The Center, 99 Queen’s Road Central, Hong Kong. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

During the year, the principal activities of the Company and its subsidiaries (together referred to as the “Group”) include:

- the supply of electricity and heat representing the business of generation and supplying of electricity and heat;
- the oil production representing the business of oil production; and
- the oil and liquefied chemical terminal representing the business of operation of liquid chemical terminal, storage and logistics facilities (new business segment under construction during the year).

As described in note 37, in December 2015, the Group completed the acquisition of 51% of the equity interest of a sino-foreign enterprise, namely Shandong Shundong Port Services Company Limited (“Shandong Shundong”), a company established in the People’s Republic of China (the “PRC”), which is designed to operate oil and liquefied chemical terminal, storage and logistics facilities in Dongying Port, Shandong Province, the PRC. Shandong Shundong is currently under the construction of port and terminal. Details of the acquisition have been set out in the Company’s announcement dated 18 December 2015.

1. 一般資料

能源國際投資控股有限公司（「本公司」）為一間於開曼群島註冊成立並以開曼群島為居籍之有限責任公司。本公司之註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands，而主要營業地點則為香港皇后大道中99號中環中心15樓1508室。本公司之股份於香港聯合交易所有限公司（「聯交所」）上市。

於本年度，本公司及其附屬公司（統稱「本集團」）之主要業務包括：

- 熱電供應，指熱電生產及供應業務；
- 產油，指產油業務；及
- 油品及液體化工品碼頭，指經營液體化工品碼頭、儲存及物流設施業務（年內在建新業務分部）。

如附註37所述，於二零一五年十二月，本集團完成收購於中外合資企業山東順東港務有限公司（「山東順東」）之51%股權，該公司為於中華人民共和國（「中國」）成立之公司，旨在經營於中國山東省東營港之油品及液體化工品碼頭、儲存及物流設施。山東順東目前正在建設港口及碼頭。收購詳情已載於本公司日期為二零一五年十二月十八日之公佈。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

1. GENERAL INFORMATION (Continued)

As described in note 45, Shanxi Zhong Kai Group Lingshi Heat and Power Company Limited (“Shanxi Zhong Kai Group Lingshi”), in which the Group owns 60% equity interest, received a notice issued by the Municipal Government of Lingshi County (the “Lingshi Government”) dated 23 April 2015. In the notice, the Lingshi Government ordered Shanxi Zhong Kai Group Lingshi to shut down the operations of all its power generating units operated by Shanxi Zhong Kai Group Lingshi, for the purposes of anti-pollution measures and emission reduction, details of which are set out in the Company’s announcement dated 30 April 2015. On 30 December 2015, the Group entered into the sale and purchase agreement (the “Sale and Purchase Agreement”) with the independent third party (the “Purchaser”), pursuant to which the Purchaser has conditionally agreed to acquire and the Group has conditionally agreed to sell the issued shares and the sale loan of Sunlight Rise Limited (“Sunlight Rise”) which holding 60% equity interest in Shanxi Zhong Kai Group Lingshi (collectively the “Sunlight Group”), details of which are set out in the Company’s announcements dated 30 December 2015 and 29 March 2016. As at the date of authorisation for issue of the consolidated financial statements, certain conditions under the Sale and Purchase Agreement have not yet been met and approvals from shareholders have not yet been obtained. Therefore, no assets and liabilities of the Sunlight Group have been classified as held for sale and the discontinued operations in accordance with Hong Kong Financial Reporting Standard 5.

Other than the above, there were no significant changes in the Group’s operations during the year. The Group’s principal places of the business are in Hong Kong and the PRC. The principal activities and other particulars of its subsidiaries are set out in note 35 to the financial statements.

The financial statements on pages 48 to 172 have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants. The financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange.

1. 一般資料 (續)

如附註45所述，山西中凱集團靈石熱電有限公司（「山西中凱集團靈石」，本集團擁有其60%權益）接到由靈石縣人民政府（「靈石政府」）於二零一五年四月二十三日發出之通告，當中靈石政府指令山西中凱集團靈石關閉其經營之所有發電機組之運作，目的為環保及減排，有關詳情載於本公司日期為二零一五年四月三十日之公佈。於二零一五年十二月三十日，本集團與獨立第三方（「買方」）訂立買賣協議（「買賣協議」），據此買方有條件同意收購而本集團有條件同意出售昇暉有限公司（「昇暉」，持有山西中凱集團靈石之60%股權（統稱「昇暉集團」）已發行股份及待售貸款，詳情載於本公司日期為二零一五年十二月三十日及二零一六年三月二十九日之公佈。於授權刊發綜合財務報表之日，買賣協議項下若干條件尚未達成，且尚未取得股東批准。因此，昇暉集團之資產及負債概無根據香港財務報告準則第5號分類為持作待售及已終止經營業務。

除上文所述者外，年內本集團業務經營並無發生重大變動。本集團的主要營業地點為香港及中國。其附屬公司之主要業務及其他詳情載於財務報表附註35。

於第48至172頁之財務報表乃根據香港會計師公會所頒佈之香港財務報告準則（「香港財務報告準則」，該統稱涵蓋所有適用之個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）編製。財務報表亦包括香港公司條例及聯交所證券上市規則之適用披露規定。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

1. GENERAL INFORMATION (Continued)

The financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company and all values are rounded to the nearest thousand ("HK\$'000") unless otherwise stated.

2. ADOPTION OF NEW/REVISED HKFRSs

(a) Adoption of new/revised HKFRSs – effective on 1 January 2015

HKFRSs (Amendments) Annual Improvements to HKFRSs 2010–2012 Cycle

HKFRSs (Amendments) Annual Improvements to HKFRSs 2011–2013 Cycle

Amendments to HKAS 19 (2011) Defined Benefit Plans: Employee Contributions

The adoption of these amendments has no material impact on the financial statements.

1. 一般資料 (續)

財務報表以本公司之功能貨幣港元(「港元」)呈列，除另有指明外，所有金額均概約至最接近之千位數字(「千港元」)。

2. 採納新訂／經修訂香港財務報告準則

(a) 採納新訂／經修訂香港財務報告準則 – 於二零一五年一月一日生效

香港財務報告準則(修訂) 香港財務報告準則二零一零年至二零一二年週期之年度改進

香港財務報告準則(修訂) 香港財務報告準則二零一一年至二零一三年週期之年度改進

香港會計準則第19號之修訂(二零一一年) 定額福利計劃：僱員供款

採納此等修訂不會對財務報表造成重大影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. ADOPTION OF NEW/REVISED HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective

At the date of authorisation of these financial statements, certain new/revised HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

The directors of the Company anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement. Information on new/revised HKFRSs that are expected to have a material impact on the Group's accounting policies is provided below. The Group is not yet in a position to state whether these new/revised HKFRSs will result in substantial changes to the Group's accounting policies and financial statements.

Except as explained below, the directors of the Company anticipate that the application of the other new and revised HKFRSs will have no material impact on the financial statements.

Amendments to HKAS 1 – Disclosure Initiative

This standard is effective for accounting periods beginning on or after 1 January 2016. The amendments are designed to encourage entities to use judgement in the application of HKAS 1 when considering the layout and content of their financial statements. An entity's share of other comprehensive income from equity accounted interests in associates and joint ventures will be split between those items that will and will not be reclassified to profit or loss, and presented in aggregate as a single line item within those two groups.

2. 採納新訂／經修訂香港財務報告準則 (續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則

於本財務報表授權日，若干新訂／經修訂香港財務報告準則已經頒佈但尚未生效，且並無獲本集團提早採納。

本公司董事預測，本集團會計政策將於聲明生效日期後第一個期間開始採納所有聲明。預期將會對本集團會計政策構成重大影響之新訂／經修訂香港財務報告準則之資料在下文載述。本集團現時尚未能確定該等新訂／經修訂香港財務報告準則會否導致本集團之會計政策及財務報表出現重大變動。

除下述者外，本公司董事預期採納其他新訂及經修訂香港財務報告準則將不會對財務報表產生重大影響。

香港會計準則第1號之修訂－披露計劃

此準則對二零一六年一月一日或之後開始之會計期間生效。該修訂之設計乃鼓勵實體於考慮其財務報表之佈局及內容時就應用香港會計準則第1號使用判斷。實體應佔來自於聯營公司及合營企業之以權益法入賬之權益之其他全面收入，於將會及將不會重新分類至損益之項目中分拆，並於該等兩個組別內共同作為單一項目呈列。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. ADOPTION OF NEW/REVISED HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 9 (2014) – Financial Instruments

This standard is effective for accounting periods beginning on or after 1 January 2018. HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income (“FVTOCI”) if the objective of the entity’s business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at fair value through profit or loss (“FVTPL”).

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

2. 採納新訂／經修訂香港財務報告準則 (續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則 (續)

香港財務報告準則第9號 (二零一四年) – 財務工具

此準則對二零一八年一月一日或之後開始之會計期間生效。香港財務報告準則第9號引入財務資產分類及計量之新規定。按業務模式持有資產而目的為收取合約現金流之債務工具(業務模式測試)以及具產生之現金流僅為支付本金及未償還本金利息之合約條款之債務工具(合約現金流特徵測試)，一般按攤銷成本計量。倘該實體業務模式之目的為持有及收取合約現金流以及出售財務資產，則符合合約現金流特徵測試之債務工具乃以按公平值計入其他全面收入(「按公平值計入其他全面收入」)計量。實體可於初步確認時作出不可撤回之選擇，以按公平值計入其他全面收入計量並非持作買賣之股本工具。所有其他債務及股本工具一概按公平值計入損益(「按公平值計入損益」)計量。

香港財務報告準則第9號就並非按公平值計入損益之所有財務資產引入新的預期虧損減值模式(取代香港會計準則第39號之已產生虧損模式)以及新的一般對沖會計法規定，以讓實體於財務報表內更好地反映其風險管理活動。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. ADOPTION OF NEW/REVISED HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 9 (2014) – Financial Instruments (Continued)

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

HKFRS 15 – Revenue from Contracts with Customers

This standard is effective for accounting periods beginning on or after 1 January 2018. The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

2. 採納新訂／經修訂香港財務報告準則 (續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則 (續)

香港財務報告準則第9號 (二零一四年) – 財務工具 (續)

香港財務報告準則第9號秉承香港會計準則第39號之財務負債確認、分類及計量規定，惟指定為按公平值計入損益之財務負債除外，其因負債信貸風險變動而產生之公平值變動金額乃於其他全面收入中確認，除非此舉會引致或擴大會計錯配則作別論。此外，香港財務報告準則第9號保留香港會計準則第39號有關取消確認財務資產及財務負債之規定。

香港財務報告準則第15號 – 來自客戶合約的收益

此準則對二零一八年一月一日或之後開始之會計期間生效。此項新訂準則設立單一收益確認框架。框架之主要原則為實體應確認收益，以說明實體按反映交換商品及服務預期所得代價之金額向客戶轉讓所承諾商品或服務。香港財務報告準則第15號取代現有收益確認指引，包括香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

2. ADOPTION OF NEW/REVISED HKFRSs (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 15 – Revenue from Contracts with Customers (Continued)

HKFRS 15 requires the application of a 5 steps approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to each performance obligation
- Step 5: Recognise revenue when each performance obligation is satisfied

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

2. 採納新訂／經修訂香港財務報告準則 (續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則 (續)

香港財務報告準則第15號 – 來自客戶合約的收益 (續)

香港財務報告準則第15號規定確認收益所應用之五個步驟：

- 第1步：識別與客戶所訂立之合約
- 第2步：識別合約之履約責任
- 第3步：釐定交易價格
- 第4步：分配交易價格至各履約責任
- 第5步：於履行各履約責任時確認收益

香港財務報告準則第15號包含與特定收益相關之特定指引，該等指引或會更改香港財務報告準則現時應用之方法。此項準則亦顯著加強有關收益之定性及定量披露。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated.

The financial statements have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, which are measured at fair value. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in the preparation of the financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

3. 重大會計政策概述

(a) 編製基準

編製該等財務報表所應用之重大會計政策於下文概述。除另有訂明者外，該等政策一直貫徹應用於各個呈報年度。

該等財務報表乃以歷史成本法編製（惟按公平值計入損益之財務資產乃按公平值計量）。計算方式於下列會計政策中細述。

應注意於財務報表編製時曾運用會計估計及假設。儘管該等估計乃根據管理層對目前事項及行動之所知及判斷而作出，但最終實際結果或會與該等估計有所差異。涉及更高判斷或複雜程度之範圍，或假設及估計對財務報表而言屬重大之範圍於附註4披露。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

(i) Songliao contract

On 25 September 2009, an acquisition agreement to acquire 100% equity interest in China International Energy Investments (Hong Kong) Limited (“China International Energy”) was entered into by the Group, Greater China Limited (“Greater China”) and Mr. Li Weijun (Greater China’s warrantor). The acquisition was completed on 31 December 2010. Principal assets, rights and operations of China International Energy were the petroleum contract entered into between China Era Energy Power Investment Limited (“China Era”), a wholly-owned subsidiary of China International Energy, and a state-owned enterprise engaged in oil exploration industry (the “State-owned Enterprise”) on 13 August 2007 (the “Songliao Contract”), details of which are set out in note 33. China International Energy was wholly-owned by an individual (“Mr. A”) at the time of obtaining the Songliao Contract.

As set out in the Company’s announcement dated 4 July 2015, the directors found that Mr. A was formally charged by prosecution authorities in the PRC for illegal operation crime (the “Charge”), possibly involved allegations about improper conduct in obtaining of the Songliao Contract.

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

(i) 松遼合約

於二零零九年九月二十五日，本集團、Greater China Limited (「Greater China」)及李衛軍先生 (Greater China之保證人) 訂立收購協議，以收購中國國際能源投資(香港)有限公司(「中國國際能源」)之100%股權。收購事項已於二零一零年十二月三十一日完成。中國國際能源之主要資產、權利及業務為由中國年代能源投資有限公司(「中國年代」，為中國國際能源之全資附屬公司)與一家從事石油勘探行業的國有企業(「國有企業」)於二零零七年八月十三日所訂立之石油合約(「松遼合約」)，詳情載於附註33。於取得松遼合約時，中國國際能源由一位人士(「A先生」)全資擁有。

如本公司日期為二零一五年七月四日之公佈所載，董事發現A先生遭中國檢控機關正式控告非法經營罪(「該指控」)，其中可能涉及其於獲得松遼合約時有不當行為。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

(i) Songliao contract (Continued)

Having taken legal advice by the Company to uphold and protect its right, on 2 July 2015 (Cayman Islands time), the Group has commenced legal proceedings in the Grand Court of the Cayman Islands against various parties including Mr. A, Greater China, Mr. Li Weijun (Greater China's warrantor) and Giant Crystal Limited ("Giant Crystal") (which was nominated by Greater China as the allottee of the promissory notes, consideration shares and convertible bonds for the consideration of the Songliao Contract) (the "Defendants") on the basis that (a) the Greater China's warranties and/or representations given in the acquisition were false and misleading and knowing that the Group entered into the acquisition agreement in reliance thereon; and (b) the Defendants of the litigation wrongly conspired and combined together to defraud the Group to pay the consideration. In the litigation, the Group sought (1) a declaration that they are entitled to validly rescind the acquisition agreement; (2) an order that the consideration be repaid, a declaration that the promissory notes and convertible bonds are at all material times null and void and of no legal effect; (3) a declaration that Giant Crystal held and continue to hold the consideration shares and any shares issued upon exercise of the convertible bonds on trust for the Company; (4) an injunction against all Defendants that they be restrained from disposing of, encumbering or otherwise dealing with or diminishing the value of, and/or exercising any rights or powers (including but not limited to voting rights in general and/or extraordinary meeting(s) in respect of, and/or entering into any agreement to effect any transaction in relation to, the consideration shares and the converted shares; (5) an injunction against all Defendants from completing and/or procuring the conversion and/or transferring of the convertible bonds; (6) damages for fraud and/or deceit; and (7) an order that the Defendants compensate the Group in equity.

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

(i) 松遼合約 (續)

為了維護及保障本身的權利，本公司已徵詢法律意見，並於二零一五年七月二日（開曼群島時間），本集團入稟開曼群島大法院，針對包括A先生、Greater China、李衛軍先生（Greater China之保證人）及鉅晶有限公司（「鉅晶」，獲Greater China指定為松遼合約代價之本票、代價股份及可換股債券之獲配發人）的多方人士（「被告人」）展開法律程序，理據為（a）Greater China於收購事項中作出之保證及／或聲明為虛假及具誤導性，而明知本集團乃依據該等保證及／或聲明訂立收購協議；及（b）訴訟之被告人不當串謀及聯手詐騙本集團支付代價。於訴訟中，本集團尋求（1）獲宣告有權有效撤銷收購協議；（2）獲頒發命令以收回代價，並宣告本票及可換股債券在所有關鍵時刻均為無效且不具法律效力；（3）獲宣告鉅晶以往及繼續以信託形式為本公司持有代價股份及因可換股債券被轉換所發行之任何股份；（4）向所有被告人頒發禁制令，禁止彼等出售或以其他方式買賣代價股份及換股股份、對代價股份及換股股份設立產權負擔或縮減其價值，及／或行使任何權利或權力（包括但不限於就代價股份及換股股份於股東大會及／或股東特別大會上投票之權利），及／或訂立任何協議使涉及代價股份及換股股份之任何交易生效；（5）向所有被告人頒發禁制令，禁止彼等完成及／或促使可換股債券之轉換及／或轉讓；（6）獲得遭詐騙及／或欺騙之損害賠償；及（7）獲頒發命令，使被告人依衡平法向本集團作出賠償。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

(i) Songliao contract (Continued)

In March 2016, the Group obtained the legal opinion from the lawyers in the PRC stating that under the laws prevailing in the PRC, all entities are innocent unless found guilty by the Municipal Court. However, if the contract is found to be used to conduct illegal trade by top management, the contract can be invalidated through the Supreme People's Court. According to the Contract Laws of the PRC, when a contract becomes invalid or is rescinded, any property obtained under the contract shall be returned. In the circumstances when the return of properties is impossible, compensation shall be made at an estimated price for the loss caused by the defaulted parties. As a party of the contract, the Group is entitled to either enter into arbitration or to file a civil legal action to rescind or invalidate the contract and seek compensation from the defaulted parties.

Included in the consolidated statement of financial position as at 31 December 2015 are property, plant and equipment, intangible assets and net deferred tax liabilities with carrying amounts of HK\$46,167,000 (2014: HK\$98,776,000), HK\$557,821,000 (2014: HK\$971,224,000) and HK\$83,358,000 (2014: HK\$182,283,000) respectively. The property, plant and equipment and intangible assets are collectively referred to as the "Oil Production Assets". The Oil Production Assets relate to the operation of oil production business, pursuant to the Songliao Contract, entered into with the State-owned Enterprise to develop and produce crude oil in Liangjing Block on Songliao Basin in Jilin, the PRC, details of which are set out in note 33.

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

(i) 松遼合約 (續)

於二零一六年三月，本集團取得中國律師法律意見，當中指出根據中國現行法律，除非被市政法院判決有罪，否則所有實體均無罪。然而，倘若發現合同被高級管理層用來進行非法交易，可通過最高人民法院宣告合同無效。根據中國合同法，合同無效或者被撤銷時，因該合同取得的財產應當予以返還。於財產無法返還的情況下，應當折價補償過錯方引致的損失。作為合同一方，本集團有權進行仲裁或提起民事法律訴訟要求撤銷合同或宣告合同無效並尋求過錯方賠償。

二零一五年十二月三十一日之綜合財務狀況表內載有賬面值分別為46,167,000港元（二零一四年：98,776,000港元）、557,821,000港元（二零一四年：971,224,000港元）及83,358,000港元（二零一四年：182,283,000港元）之物業、廠房及設備、無形資產及遞延稅項負債淨額。物業、廠房及設備及無形資產統稱為「產油資產」。根據與國有企業訂立以於中國吉林松遼盆地兩井區塊開發及生產原油之松遼合約，產油資產乃關於產油業務之營運，詳情載於附註33。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

(i) Songliao contract (Continued)

As at 31 December 2015, the directors of the Company estimated the recoverable amount of the cash-generating unit to which the Oil Production Assets belong (the "Oil Production CGU"). As the carrying amounts of the Oil Production CGU exceeded its recoverable amount, impairment losses of HK\$408,954,000 (2014: HK\$441,894,000) and HK\$33,843,000 (2014: HK\$185,136,000) were recognised for the year ended 31 December 2015 on intangible assets and property, plant and equipment respectively. In estimating the recoverable amount, the directors of the Company have assumed that the Songliao Contract will remain valid and the Group's oil production business will continue in operation throughout the Songliao Contract period.

Having taken into account of the legal opinion, the directors consider that the Songliao Contract will continue to be valid and will be executed as planned as the Group has close working relationship with the State-owned Enterprise and up to the date of authorisation for issue of the consolidated financial statements, there is no indication from the State-owned Enterprise regarding any potential claim or questioning on the validity of the Songliao Contract.

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

(i) 松遼合約 (續)

於二零一五年十二月三十一日，本公司董事已估計產油資產所屬現金產生單位（「產油現金產生單位」）的可收回金額。由於產油現金產生單位的賬面值超過其可收回金額，截至二零一五年十二月三十一日止年度就無形資產及物業、廠房及設備分別確認減值虧損408,954,000港元（二零一四年：441,894,000港元）及33,843,000港元（二零一四年：185,136,000港元）。在估計可收回金額時，本公司董事乃假設松遼合約將保持有效，且本集團的產油業務於松遼合約期間將持續營運。

經考慮法律意見後，董事認為松遼合約將繼續有效並將按計劃執行，原因為本集團與國有企業建立緊密合作關係，且截至綜合財務報表獲授權刊發當日，國有企業並無表示會提出任何潛在索償或對松遼合約的有效性提出質疑。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

(ii) Going concern basis

The financial statements have been prepared on a going concern basis which notwithstanding that the Group incurred a loss of HK\$531,976,000 (2014: HK\$759,774,000) during the year, and as of that date, had net current liabilities of HK\$104,913,000 (2014: HK\$93,797,000). These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The directors of the Company have prepared the consolidated financial statements based on a going concern on the assumptions that:

- (a) the Songliao Contract continues to be valid and the Group continues its oil production business, which is the basis on which the directors prepared the cash flow forecast for the next twelve months after 31 December 2015 and assuming that the low crude oil price to be recovered gradually;
- (b) the Company's application for a new credit line of up to RMB800,000,000 from a bank in the PRC for the coming 18 months would be successful. The banking facilities would be utilised in the development of the Group's oil and liquefied chemical terminal project; and
- (c) the Sunlight Group would be successfully disposed of during 2016.

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

(ii) 持續經營基準

財務報表已根據持續經營基準編製，惟本集團於本年度產生虧損531,976,000港元（二零一四年：759,774,000港元），並截至該日錄得流動負債淨值為104,913,000港元（二零一四年：93,797,000港元）。該等情況反映存在重大不明朗因素，或會對本集團持續經營之能力產生重大質疑。本公司董事乃基於以下假設按持續經營基準編製綜合財務報表：

- (a) 松遼合約繼續生效及本集團繼續其產油業務，此乃董事編製二零一五年十二月三十一日後未來十二個月現金流預測之基準，並假設原油價格將由低位逐步回升；
- (b) 本公司成功自中國一家銀行申請於未來十八個月取得高達人民幣800,000,000元的新增信貸額度。該等銀行信貸將用於發展本集團的石油及液體化工品碼頭項目；及
- (c) 昇暉集團將於二零一六年成功出售。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

(ii) Going concern basis (Continued)

After taking into account the above measures, the directors consider that the Group can meet its financial obligations as and when they fall due in the foreseeable future and believe that the Group will continue as a going concern and consequently have prepared the financial statements on a going concern basis.

Should the Group be unable to continue in business as a going concern, adjustments would have to be made in the consolidated financial statements to reduce the values of the assets to their estimated realisable values, to provide for any further liabilities which may arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

(iii) Loss of controls over assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI")

In 2010, the board of directors discovered that, the exploration licence held by QHFSMI, a wholly-owned subsidiary of the Group established in the PRC, had been transferred to a company known as 內蒙古小紅山源森礦業有限公司 (in English, for identification purpose only, Inner Mongolia Xiao Hong Shan Yuen Xian Mining Industry Company Limited) ("Yuen Xian Company") without the Company's knowledge, consent or approval.

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

(ii) 持續經營基準 (續)

經考慮上述措施後，董事認為本集團可於可見未來在財務負債到期時作出支付，並相信本集團將可持續經營，因此以持續經營基準編製財務報表。

倘本集團無法持續經營業務，將須於綜合財務報表作出調整以撇減資產價值至其估計可變現價值，及就可能產生之任何進一步負債作出撥備，並將非流動資產及負債分別重新分類為流動資產及負債。此等調整的影響並無於此等綜合財務報表反映。

(iii) 失去對青海森源礦業開發有限公司 (「青海森源」) 及內蒙古森源礦業開發有限公司 (「內蒙古森源」) 資產之控制權

於二零一零年，董事會發現，由本集團於中國成立之全資擁有附屬公司青海森源持有之勘探牌照已轉讓予一間名為內蒙古小紅山源森礦業有限公司 (英文名稱為 Inner Mongolia Xiao Hong Shan Yuen Xian Mining Industry Company Limited，僅供識別) 之公司 (「源森公司」)，而本公司並不知悉，亦未有同意或批准。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

(iii) Loss of controls over assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI") (Continued)

Based on the searches conducted by the Company's legal advisers, the Group was advised that:

- (a) Yuen Xian Company is a wholly foreign owned enterprise established in the PRC in 2009 and is wholly-owned by a company, namely Yuenxian Mining Industry Holding Company Limited ("HK Yuenxian"). Ms Leung Lai Ching Margaret ("Ms Leung") is one of the directors and the legal representative of Yuen Xian Company.
- (b) HK Yuenxian (formerly known as Forest Source Mining Industry Holding Company Limited) is a company incorporated in Hong Kong in 2008 and is wholly-owned by Ms Leung. Ms Leung is also the sole director of HK Yuenxian.

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

(iii) 失去對青海森源礦業開發有限公司 (「青海森源」) 及內蒙古森源礦業開發有限公司 (「內蒙古森源」) 資產之控制權 (續)

根據本公司法律顧問進行之調查，本集團獲告知：

- (a) 源森公司為一間於二零零九年於中國成立之外商獨資企業，由源森礦業控股有限公司 (「香港源森」) 全資擁有。梁儷瀨女士 (「梁女士」) 為源森公司之其中一名董事及法定代表。
- (b) 香港源森 (前稱為森源礦業控股有限公司) 為一間於二零零八年於香港註冊成立之公司，由梁女士全資擁有。梁女士亦為香港源森之唯一董事。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

(iii) *Loss of controls over assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI") (Continued)*

Disputes with Ms Leung

In November 2009, a legal proceeding was commenced by Hong Kong Forest Source Mining Industry Holding Company Limited ("HKFSMIH"), QHFSMI and IMFSMI, all of which are wholly-owned by the Group, against HK Yuenxian, Ms Leung and such other persons named as co-defendants to such legal proceedings. The Group obtained, among other things, an interim injunction order from the Hong Kong Court in the following terms:

- (a) An injunction restraining, amongst others, HK Yuenxian and Ms Leung from carrying on business in Hong Kong and/or the PRC under the name of Forest Source Mining Industry Holding Company Limited (subsequently known as HK Yuenxian since 7 January 2010); and

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

(iii) *失去對青海森源礦業開發有限公司 (「青海森源」) 及內蒙古森源礦業開發有限公司 (「內蒙古森源」) 資產之控制權 (續)*

與梁女士之糾紛

於二零零九年十一月，香港森源礦業控股有限公司 (「香港森源礦業控股」)、青海森源及內蒙古森源 (全部均由本集團全資擁有) 向香港源森、梁女士及有關法律訴訟中被稱為共同被告人之其他人士展開法律程序。本集團已取得 (其中包括) 香港法院頒佈之暫時禁制令，內容如下：

- (a) 限制 (其中包括) 香港源森及梁女士以「森源礦業控股有限公司」 (自二零一零年一月七日起名為「香港源森」) 之名於香港及／或中國進行業務之禁制令；及

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

- (iii) *Loss of controls over assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI") (Continued)*

Disputes with Ms Leung (Continued)

- (b) An injunction restraining, amongst others, Ms Leung from acting or holding out as a director of QHFSMI or interfering with the business of QHFSMI, including but not limited to making any representations, requests, demands or promises to the Inner Mongolia Autonomous Region Commerce and Industry Bureau or any other governmental agencies in the PRC on behalf of QHFSMI in regard to any affairs of or relating to QHFSMI.

The interim injunction order was subsequently discharged on 30 March 2010.

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

- (iii) 失去對青海森源礦業開發有限公司(「青海森源」)及內蒙古森源礦業開發有限公司(「內蒙古森源」)資產之控制權(續)

與梁女士之糾紛(續)

- (b) 限制(其中包括)梁女士擔任青海森源之董事或顯示出其為董事之身份行事或干涉青海森源之業務,包括但不限於就青海森源之任何事務或與之有關之任何事務代表青海森源向內蒙古自治區工商局或中國任何其他政府機構作出任何聲明、要求、索求或承諾之禁制令。

該暫時禁制令其後於二零一零年三月三十日撤銷。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

(iii) Loss of controls over assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI") (Continued)

Ms Leung's legal status as director and legal representative in QHFSMI and IMFSMI remained unchanged during the year in the absence of her cooperation

Ms Leung was a director and legal representative of both QHFSMI and IMFSMI. In September 2009, the sole shareholder of QHFSMI and IMFSMI (i.e. HKFSMIH) resolved to remove Ms Leung's capacity as director and legal representative of both QHFSMI and IMFSMI with immediate effect. As disclosed in the Company's circular dated 28 June 2010, the respective members of the board of directors and legal representative of QHFSMI and IMFSMI was not officially changed as Ms Leung, being the then legal representative, was not cooperative and failed to provide the requested documents and corporate seals.

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

(iii) 失去對青海森源礦業開發有限公司(「青海森源」)及內蒙古森源礦業開發有限公司(「內蒙古森源」)資產之控制權 (續)

梁女士於年內作為青海森源及內蒙古森源之董事及法定代表之法律地位因其不合作而維持不變

梁女士曾為青海森源及內蒙古森源之董事及法定代表。於二零零九年九月，青海森源及內蒙古森源唯一股東(即香港森源礦業控股)議決罷免梁女士出任青海森源及內蒙古森源之董事及法定代表職務，即時生效。如本公司日期為二零一零年六月二十八日之通函所披露，由於當時之法定代表梁女士不配合及未能提供所需文件及公司印章，青海森源及內蒙古森源各自之董事會成員及法定代表仍未正式更改。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

(iii) Loss of controls over assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI") (Continued)

Transfer of exploration licence without the Company's knowledge, consent or approval

The Group acquired QHFSMI from Ms Leung in 2007. QHFSMI was the holder of an exploration licence which conferred QHFSMI the rights to conduct exploration work for the mineral resources in the titanium mine at Xiao Hong Shan in Inner Mongolia, the PRC. Based on the search conducted by the Group's legal advisers, the exploration licence was transferred, without the Company's knowledge, consent or approval, to Yuen Xian Company in January 2010. Such actions by Ms Leung were not expected in view of the interim injunction order obtained by the Company, details of which are set out in the subparagraph headed "Disputes with Ms Leung" above. Without the exploration licence, QHFSMI no longer has the rights to, among other things, carry out exploration of the mineral resources of the titanium mine, access to the titanium mine and neighbouring areas and has no priority in obtaining the mining rights of the titanium mine.

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

(iii) 失去對青海森源礦業開發有限公司(「青海森源」)及內蒙古森源礦業開發有限公司(「內蒙古森源」)資產之控制權 (續)

在本公司不知情及未經本公司同意或批准下轉讓勘探牌照

本集團於二零零七年向梁女士收購青海森源。青海森源持有一個勘探牌照，該牌照賦予青海森源在位於中國內蒙古小紅山之鈦礦進行礦產資源勘探工作之權利。根據本集團法律顧問進行之調查，該勘探牌照已於二零一零年一月在本公司不知情及未經本公司同意或批准下轉讓予源森公司。鑒於本公司已取得暫時禁制令(如上文「與梁女士之糾紛」分段中所述)，故本公司完全沒有預料到梁女士會採取有關行動。倘無勘探牌照，青海森源不再有權(其中包括)於鈦礦進行礦產資源勘探、進入鈦礦及鄰近區域以及優先獲得鈦礦之開採權。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

(iii) Loss of controls over assets of Qinghai Forest Source Mining Industry Developing Company Limited ("QHFSMI") and Inner Mongolia Forest Source Mining Industry Developing Company Limited ("IMFSMI") (Continued)

Transfer of exploration licence without the Company's knowledge, consent or approval (Continued)

As soon as the Group had discovered the loss of QHFSMI's exploration licence, the Group sought legal advices. Given the discovery of the loss of significant assets of QHFSMI, the board of directors was not able to maintain controls over QHFSMI and IMFSMI by the Group. As a consequence, the directors of the Company considered that the Group no longer had the power over QHFSMI and IMFSMI, exposure, or rights, to variable returns from QHFSMI and IMFSMI and the ability to use its power to affect those variable returns.

(iv) De-consolidating QHFSMI and IMFSMI

The Group has been unable to obtain the financial information of QHFSMI and IMFSMI since 2010. The directors of the Company consider that the Group had lost its power over QHFSMI and IMFSMI with effect from 1 January 2010. Accordingly, the financial information of QHFSMI and IMFSMI was de-consolidated with effect from 1 January 2010. Details of de-consolidating QHFSMI and IMFSMI are set out in the 2010 Annual Report of the Company.

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

(iii) 失去對青海森源礦業開發有限公司(「青海森源」)及內蒙古森源礦業開發有限公司(「內蒙古森源」)資產之控制權 (續)

在本公司不知情及未經本公司同意或批准下轉讓勘探牌照 (續)

本集團發現失去青海森源之勘探牌照後，已立即尋求法律意見。鑒於發現青海森源出現重大資產損失，董事會已無法維持本集團對青海森源及內蒙古森源之控制權。基於上述原因，本公司董事認為，本集團不再對青海森源及內蒙古森源擁有權力，不再享有青海森源及內蒙古森源可變回報或對其擁有權利，亦無能力行使其權力以影響該等可變回報。

(iv) 不再將青海森源及內蒙古森源綜合入賬

本集團無法取得青海森源及內蒙古森源自二零一零年起之財務資料。本公司董事認為，由二零一零年一月一日起，本集團失去其對青海森源及內蒙古森源之權力。因此，於二零一零年一月一日起，青海森源及內蒙古森源之財務資料不再綜合入賬。不再將青海森源及內蒙古森源綜合入賬之詳情載於本公司二零一零年年報。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

(iv) De-consolidating QHFSMI and IMFSMI (Continued)

Since February 2012, the Group filed writs to the courts in the PRC to invalidate the transfer of the exploration licence from QHFSMI to Yuen Xian Company at a consideration of RMB8,000,000 (the "Change of Exploration Right Agreement") and return the exploration licence to QHFSMI. Finally, in August 2014, the Supreme People's Court of the PRC accepted the Company's allegations and in April 2015, the Higher People's Court of Qinghai Province (the "Higher Court") issued an order (the "Final Judgment") that the Change of Exploration Right Agreement was invalid.

In December 2015, the Company received the review application filed by Ms Leung with Qinghai Province People's Procuratorate ("Qinghai Procuratorate") for seeking to reverse the Final Judgment handed down by the Higher Court.

In March 2016, the Company received the final decision letter from Qinghai Procuratorate which states that, (a) the grounds raised by Ms Leung in the review cannot be established; (b) Ms Leung's argument of inapplicability of the PRC law was rejected; (c) it was correctly decided that the Change of Exploration Right Agreement was in breach of the legal right of HKFSMIH, a wholly-owned subsidiary of the Company; and (d) the legal right of the Group's investment in the PRC should be protected under the PRC laws.

The Group has appointed the PRC lawyers to handle the matters in regaining its controlling power over QHFSMI and IMFSMI. In the opinion of the directors, the aforesaid legal proceedings have no material impact on the financial position and operations of the Group as the Group is still in the process of regaining the controlling power over QHFSMI and IMFSMI which had already been de-consolidated since 2010.

3. 重大會計政策概述 (續)

(a) 編製基準 (續)

(iv) 不再將青海森源及內蒙古森源綜合入賬 (續)

自二零一二年二月起，為使青海森源以代價人民幣8,000,000元向源森公司轉讓勘探牌照（「探礦權變更協議」）一事無效，並將勘探牌照歸還青海森源，本集團已入稟中國多家法院。最終於二零一四年八月，中國最高人民法院接納本公司之指控，並於二零一五年四月，青海省高級人民法院（「高級法院」）判決（「最終判決」）探礦權變更協議無效。

於二零一五年十二月，本公司接獲梁女士向青海省人民檢察院（「青海檢察院」）提出監督申請，尋求推翻高級法院宣佈之最終判決。

於二零一六年三月，本公司接獲青海檢察院發出之決定書，當中指出(a)梁女士在監督中提出之理由不能成立；(b)駁回梁女士對中國法律不適用之論點；(c)確認探礦權變更協議侵犯本公司全資附屬公司香港森源礦業控股之合法權益；及(d)本集團於中國投資之合法權益應受到中國法律保護。

本集團已就重獲其對青海森源及內蒙古森源之控制權一事委聘中國律師處理。董事認為，上述法律訴訟對本集團的財務狀況及營運並無任何嚴重影響，原因為本集團重獲對青海森源及內蒙古森源之控制權一事仍在進行中，而該等公司自二零一零年起已不再綜合入賬。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December each year.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the dates of acquisition or up to the dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

3. 重大會計政策概述 (續)

(b) 綜合基準

綜合財務報表包括截至每年度十二月三十一日止本公司及其附屬公司之財務報表。

由控制權轉移至本集團當日起，附屬公司納入綜合計算。該等公司由控制權失效當日起，不計入綜合計算。

集團內公司間交易及結餘連同未實現交易收益於編製綜合財務報表時全數對銷。未實現交易虧損亦予以對銷，除非交易提供已轉讓資產出現減值之證據，在此情況下，虧損於損益中確認。

年內收購或出售附屬公司之業績自收購之日開始或至出售之日停止計入綜合其他全面收益表（如適用）。附屬公司之財務報表已作調整（如需要），以確保其會計政策與本集團其他成員所用者一致。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation (Continued)

Acquisition of subsidiaries or businesses is accounted for using acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by transaction basis, to measure non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

3. 重大會計政策概述 (續)

(b) 綜合基準 (續)

收購附屬公司或業務採用收購法入賬。收購成本以已轉讓資產、已產生負債以及本集團作為收購方發行之股本權益於收購日公平值總和計量。購入可識別資產及所承擔負債主要按收購日公平值計量。本集團過往於被收購方持有之股本權益按收購日公平值重新計量，由此產生之收益或虧損於損益內確認。本集團可選擇以逐項交易基準按公平值或應佔被收購方可識別資產淨值比例計量反映現時於附屬公司擁有權益之非控股股東權益。所有其他非控股股東權益按公平值計量，除非香港財務報告準則規定採用另一種計量基準。所產生之收購相關成本列作開支，除非是因發行股權工具而產生的成本，在此情況下，成本自權益扣減。

本集團於附屬公司之權益變動（並無導致失去控制權）列作權益交易入賬。本集團之權益與非控股股東權益之賬面值均予以調整，以反映其於附屬公司相對權益之變動。非控股股東權益之調整額與已支付或收取之代價公平值之間的任何差額，均直接於權益確認，並歸屬於本公司擁有人。

倘本集團失去附屬公司之控制權，出售損益乃按下列兩者之差額計算：(i)所收取代價之公平值與任何保留權益之公平值總額，與(ii)該附屬公司之資產（包括商譽）及負債與任何非控股股東權益過往之賬面值。先前就該附屬公司於其他全面收入確認之款額按出售相關資產或負債時所規定之相同方式列賬。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation (Continued)

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in non-controlling interests having a deficit balance.

(c) Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

(d) Accounting for production sharing contracts

The Group is a party to a joint arrangement where there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

3. 重大會計政策概述 (續)

(b) 綜合基準 (續)

收購後，代表於附屬公司現有擁有權權益之非控股股東權益之賬面值為該等權益於初步確認時之款額加非控股股東權益應佔權益其後變動之部分。即使會導致非控股股東權益出現虧絀結餘，全面收入總額仍歸屬於非控股股東權益。

(c) 附屬公司

附屬公司指本公司能對其行使控制權之被投資方。倘達成以下全部三項條件，本公司即控制被投資方：對被投資方具有權力；對來自被投資方之浮動回報承擔風險或享有權利；及能行使其權力以影響該等浮動回報。倘有事實及情況顯示任何該等控制條件可能有變，則重新評估有關控制權。

於本公司之財務狀況表中，於附屬公司投資按成本值減去減值虧損（如有）列賬。附屬公司之業績由本公司按已收及應收股息入賬。

(d) 生產共享合約之會計處理

當有合約安排使本集團與至少一名其他方共同控制該安排之相關活動，則本集團為聯合安排之一方。評估共同控制之原則與評估附屬公司控制權相同。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Accounting for production sharing contracts (Continued)

The Group classifies its interests in joint arrangements as either:

- (i) Joint ventures: where the Group has rights to only the net assets of the joint arrangement; or
- (ii) Joint operations: where the Group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- (i) The structure of the joint arrangement;
- (ii) The legal form of joint arrangements structured through a separate vehicle;
- (iii) The contractual terms of the joint arrangement agreement; and
- (iv) Any other facts and circumstances (including any other contractual arrangements).

The Group accounts for its interests joint operations by recognising its share of assets, liabilities, revenues and expenses in accordance with its contractually conferred rights and obligations.

3. 重大會計政策概述 (續)

(d) 生產共享合約之會計處理 (續)

本集團將其於聯合安排之權益分類為：

- (i) 合營企業：本集團僅對聯合安排之淨資產享有權利；或
- (ii) 共同經營：本集團享有聯合安排資產之權利並承擔其負債之義務。

於評估聯合安排權益之分類時，本集團考慮：

- (i) 聯合安排之架構；
- (ii) 聯合安排之法律形式為一個獨立載體結構；
- (iii) 聯合安排協議之合約條款；及
- (iv) 任何其他事實及情況（包括任何其他合約安排）。

本集團將共同經營權益入賬之方式為根據合約賦予之權利及義務確認其分佔之資產、負債、收入及開支。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Foreign currency translation

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

In the consolidated financial statements, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into HK\$. Assets and liabilities have been translated into HK\$ at the closing rates at the reporting date. Income and expenses have been converted into HK\$ at the exchange rates ruling at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been recognised in other comprehensive income and accumulated separately in the exchange reserve in equity.

3. 重大會計政策概述 (續)

(e) 外幣換算

在綜合實體之個別財務報表內，外幣交易以交易日期當時之匯率換算為個別實體之功能貨幣。於報告日期，以外幣計值之貨幣資產及負債乃按報告日期通用之匯率換算。該等交易結算及於報告日期重新換算貨幣資產及負債而產生之外匯收益及虧損均在損益表內確認。

以外幣計值及以公平值列賬之非貨幣項目，會在決定公平值當日以當時匯率重新換算，並列賬為公平值收益或虧損之一部分。以外幣之歷史成本計算之非貨幣項目不會重新換算。

於綜合財務報表內，原來按與本集團呈列貨幣不同之貨幣呈報之海外業務所有個別財務報表，已轉換至港元。資產及負債亦在報告日期以收市匯率換算為港元。收入及開支則以交易日期通用之匯率或報告期間之平均匯率兌換至港元，惟有關匯率須並無大幅波動。任何由此程序產生之差異已在其他全面收入中確認，並單獨在權益匯兌儲備內累計。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Foreign currency translation (Continued)

Goodwill and fair value adjustments on identifiable assets acquired arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated into HK\$ at the closing rates. Exchange differences arising are recognised in the exchange reserve in equity.

When a foreign operation is sold, such exchange differences are reclassified from equity to profit or loss as part of the gain or loss on sale.

(f) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and the use by others of the Group's assets yielding interest, and dividends, net of rebates and discounts. Provided it is probable that the economic benefits will flow to the Group and revenue and costs, if applicable, can be measured reliably, revenue is recognised as follows:

- (i) sale of crude oil is recognised from the Group's share of income (including cost recovery oil, investment recovery oil and share oil) according to the terms stipulated in the contract, details of which are set out in note 33;
- (ii) sale of electricity and heat is recognised upon the transmission of electricity and heat to the customer; and
- (iii) interest income is recognised on time proportion basis using effective interest method.

3. 重大會計政策概述 (續)

(e) 外幣換算 (續)

因收購海外業務而產生之已收購可識別資產之商譽及公平值調整作為有關海外業務之資產及負債處理，並以收市匯率換算為港元。所產生之匯兌差額於權益內確認為匯兌儲備。

當出售海外業務時，有關匯兌差額由權益重新分類，在損益表確認為出售收益或虧損之一部分。

(f) 收益確認

收益包括銷售貨品以及他人使用本集團資產之已收或應收代價之公平值而產生之利益及股息，扣除回扣及折扣。倘可能為本集團帶來經濟利益及能可靠計量收益與成本（如適用）時，則按以下方式確認收益：

- (i) 銷售原油自本集團根據合約所列條款分佔之收入（包括收回成本石油、收回投資石油及共享石油）確認，有關詳情載於附註33；
- (ii) 銷售熱電於向客戶輸送電力及熱力時予以確認；及
- (iii) 利息收入使用實際利率法按時間比例確認。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(h) Goodwill

Goodwill is initially recognised at cost being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests in the acquiree and the acquisition date fair value of the acquirer's previously held equity interest in the acquiree over the fair value of identifiable assets and liabilities acquired.

Where the fair value of identifiable assets and liabilities exceed the aggregate of the fair value of consideration paid, the amount of any non-controlling interest in the acquiree and the acquisition date fair value of the acquirer's previously held equity interest in the acquiree, the excess is recognised in profit or loss on the acquisition date, after reassessment.

Goodwill is measured at cost less impairment losses. Goodwill arising from an acquisition is allocated to each of the relevant CGUs that are expected to benefit from the synergies of the acquisition. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A CGU to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount (see note 3(l)), and whenever there is an indication that the unit may be impaired.

3. 重大會計政策概述 (續)

(g) 借款成本

直接因收購、建設或製造任何合資格資產所產生之借款成本作為該等資產成本之一部分資本化，合資格資產為需要長時間達到擬定用途或銷售狀況之資產。尚未使用特定借款暫時投資所得收益自己資本化之借款成本中扣減。所有其他借款成本於產生期間於損益內確認。

(h) 商譽

商譽初步按成本確認，成本即所轉讓代價、就於被收購方之非控股股東權益確認之金額及收購方之前於被收購方持有之股權於收購日期之公平值之總額超出所收購可辨認資產及負債之公平值之部分。

倘可辨認資產及負債之公平值高於所付代價之公平值、於被收購方之任何非控股股東權益金額及收購方之前於被收購方持有之股權於收購日期之公平值之總額，則超出部分於重估後於收購日期在損益表確認。

商譽乃按成本減減值虧損計量。就減值測試而言，收購產生之商譽分配至預期將從收購協同效應受益之各相關現金產生單位。現金產生單位乃可識別之最小資產組別，其產生之現金流入基本上獨立于其他資產或資產組別之現金流入。每年透過比較其賬面值及其可收回金額（參閱附註3(l)）就獲分配商譽之現金產生單位進行減值測試，一旦有跡象顯示則該單位會被減值。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Goodwill (Continued)

For goodwill arising on an acquisition in a financial year, the CGU to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the CGU is less than the carrying amount of the unit, impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. However, the loss allocated to each asset will not reduce the individual asset's carrying amount to below its fair value less cost of disposal (if measurable) or its value-in-use (if determinable), whichever is the higher. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

(i) Intangible assets

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any impairment losses. Amortisation is charged in other operating expenses in profit or loss and is provided as follows.

- Exploration and evaluation assets under oil production business is amortised on unit of production method.
- Interests in oil production sharing contracts under oil production business is amortised on unit of production method.
- Sea area use right is amortised on straight-line method over the terms of the right of use.

3. 重大會計政策概述 (續)

(h) 商譽 (續)

就某財政年度內進行收購所產生之商譽而言，本集團會於該財政年度末之前就獲分配商譽之現金產生單位進行減值測試。倘現金產生單位之可收回金額少於其賬面值，則首先將減值虧損分配至該單位所獲分配之任何商譽，以減少其賬面值，其後以該單位內各資產賬面值為基準按比例分配至該單位之其他資產。然而，分配至各資產之虧損將不會降低個別資產之賬面值至低於其公平值減去出售成本（如可計量）或其使用價值（如可釐定）之較高者。商譽之任何減值虧損於損益表確認，不會於其後期間撥回。

(i) 無形資產

分開購入之無形資產初步按成本確認。於業務合併購入之無形資產之成本，為收購日期之公平值。隨後，有限使用年期之無形資產按成本減累計攤銷及任何減值虧損列賬。攤銷開支計入損益之其他經營開支，並按以下方式作出撥備。

- 產油業務之勘探及評估資產按生產單位法攤銷。
- 產油業務之產油共享合約之權益按生產單位法攤銷。
- 海域使用權按直線法於使用權期限內攤銷。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Property, plant and equipment

Property, plant and equipment (other than construction in progress ("CIP")) are stated at cost less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable cost of bringing the asset to the working condition and location for its intended use.

Other than oil properties, depreciation is provided to write off the cost less their estimated residual values, if any, over their estimated useful lives, using straight-line method, at the following rates per annum:

Buildings	The shorter of lease terms and 29 years
Plant and machinery	10 to 15 years
Leasehold improvements, furniture, office equipment and motor vehicles	3 to 10 years

Depreciation on oil properties is provided to write off the cost of oil properties using unit of production method utilising only proved developed oil reserves as the depletion base.

The assets' estimated useful lives, depreciation methods and estimated residual values are reviewed, and adjusted if appropriate, at each reporting date.

Gain or loss arising on retirement or disposal is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other costs, such as repairs and maintenance, are charged to profit or loss during the financial period in which they are incurred.

3. 重大會計政策概述 (續)

(j) 物業、廠房及設備

物業、廠房及設備(在建工程(「在建工程」)除外)按成本減累計折舊及任何減值虧損列賬。資產之成本包括購買價以及將資產達致擬定用途之工作狀況及地點之任何直接應佔成本。

除石油財產外，折舊按估計可使用年期以直線法撇銷成本減其估計殘值(如有)計算，年率如下：

樓宇	按租期及29年 (以較短者為準)
廠房及機器	10至15年
租賃物業裝修、傢俬、辦公設備及汽車	3至10年

石油財產之折舊僅按探明已開發石油儲量作為損耗基礎以生產單位法撇銷石油財產之成本計算。

資產之估計可使用年期、折舊方法及估計殘值會在各報告日期檢討及在有需要時調整。

報廢或出售所產生之收益或虧損乃按資產出售所得款項淨額與其賬面值之差額釐定，並於損益表內確認。

其後成本僅於與該項目相關之日後經濟利益有可能流入本集團，且該項目之成本能可靠計算時，方會計入資產之賬面值或確認為獨立資產(如適用)。所有其他成本(如維修及保養)均於產生之財政期間自損益表扣除。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Property, plant and equipment (Continued)

CIP represents property, plant and equipment under construction, which is stated at cost less any impairment losses and is not depreciated. Cost comprises direct costs incurred during the periods of construction, installation and testing. CIP is reclassified to the appropriate category of property, plant and equipment and depreciation commences when the construction work is completed and the asset is ready for use.

An asset is written down to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

(k) Prepaid land lease payments

Upfront payments made to acquire land held under an operating lease are stated at cost less accumulated amortisation and any impairment losses. Amortisation is calculated on straight-line method over the term of lease/right of use except where an alternative basis is more representative of the time pattern of benefits to be derived by the Group from use of the land.

(l) Impairment of assets (other than financial assets)

Goodwill, property, plant and equipment, prepaid land lease payments, intangible assets and interests in subsidiaries are subject to impairment testing.

Goodwill is tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. All other assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

3. 重大會計政策概述 (續)

(j) 物業、廠房及設備 (續)

在建工程指在建物業、廠房及設備，乃按成本減任何減值虧損列賬，且不予折舊。成本包括建設、安裝及測試期間產生之直接成本。在建工程於完工及資產可供使用時重新分類為物業、廠房及設備之適當類別並開始作出折舊。

倘資產之賬面值高於資產之估計可收回金額，即撇減至其可收回金額。

(k) 預付土地租賃款項

就收購根據經營租約持有之土地所作出之預付款項乃以成本減累計攤銷及任何減值虧損列賬。攤銷乃於租期／使用權期限內以直線法計算，惟倘若有另一基準更能代表本集團透過使用有關土地產生利益之時間模式則除外。

(l) 資產 (不包括財務資產) 減值

商譽、物業、廠房及設備、預付土地租賃款項、無形資產及於附屬公司之權益會進行減值測試。

商譽不論有否出現任何減值跡象，均至少每年進行減值測試。所有其他資產在出現跡象顯示資產賬面值或不可收回時進行減值測試。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Impairment of assets (other than financial assets) (Continued)

If the recoverable amount (i.e. the greater of the fair value less costs of disposal and value-in-use) of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the impairment loss is treated as a revaluation decrease under that HKFRS.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount under another HKFRS, in which case the reversal of the impairment loss is treated as a revaluation increase under that HKFRS.

Value-in-use is based on the estimated future cash flows expected to be derived from the asset or CGU (see note 3(h)), discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

3. 重大會計政策概述 (續)

(I) 資產 (不包括財務資產) 減值 (續)

倘若一項資產之可收回金額 (即公平值減出售成本及使用價值較高者) 估計低於其賬面值, 該資產之賬面值減至其可收回金額。減值虧損即時確認為開支, 除非相關資產乃根據另一香港財務報告準則按重估金額計量其賬面值, 在此情況下減值虧損視作該港財務報告準則項下重估金額減少。

倘若減值虧損在其後期間撥回, 資產之賬面值增加至其經修訂估計可收回金額, 惟增加後之賬面值不得超過如過往年度未就資產確認減值虧損而應釐定之賬面值。減值虧損撥回即時確認為收入, 除非相關資產乃根據另一香港財務報告準則按重估金額計量其賬面值, 在此情況下減值虧損撥回視作該香港財務報告準則項下重估金額增加。

使用價值乃基於來自資產或現金產生單位 (參閱附註3(h)) 之估計未來現金流量, 採用稅前折現率折現至其現值, 而有關折現率反映現時市場對金錢時間值及有關資產或現金產生單位特有風險之評估。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

Operating lease charges as the lessee

Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating lease. Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to profit or loss using straight-line method over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period which they are incurred.

(n) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of coal is determined using weighted average method. All other cost is determined using first-in, first-out method. Net realisable value is the estimated selling prices in the ordinary course of business less the estimated costs necessary to make the sale.

3. 重大會計政策概述 (續)

(m) 租賃

倘本集團確定一項安排賦予於經議定期間內使用指定資產之權利，而使用者須付款或作出一系列付款作為回報，則該安排（包括一項交易或一系列交易）為一項或包含一項租賃。本集團評估該項安排之實際內容後，作出上述確定，並不會考慮該項安排是否擁有租約之法定形式。

經營租約費用（作為承租人）

如租賃不會使所有權之絕大部分風險及回報轉移至本集團，則劃歸為經營租約。倘本集團有權使用根據經營租約持有之資產，則除非有另一基準更能代表租賃資產產生利益之時間模式，否則根據租約作出之付款，會在租期內採用直線法於損益表中扣除。所收之租賃獎勵，作為已繳付租賃付款淨值總額之整體部分於損益表中確認。或然租金於其發生之會計期間從損益表中扣除。

(n) 存貨

存貨按成本及可變現淨值兩者中之較低者列賬。煤礦成本按加權平均法計算。所有其他成本則按先進先出法計算。可變現淨值為日常業務過程中之估計售價減估計銷售所需成本。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial assets

Recognition and measurement

The Group's financial assets are classified as loans and receivables and financial assets at fair value through profit or loss. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at every reporting date.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade date. When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs.

De-recognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are subsequently measured at amortised cost using effective interest method, less any impairment loss. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost.

Financial assets at fair value through profit or loss include financial assets held for trading if they are acquired for the purpose of sale in the near term. Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

3. 重大會計政策概述 (續)

(o) 財務資產

確認及計量

本集團之財務資產分為貸款及應收款項及按公平值計入損益之財務資產。管理層於首次確認時依據收購財務資產之目的將其歸類，並在許可及適當之情況下，於各報告日期重新評估財務資產之分類。

惟當本集團成為訂立有關工具合約條文之一方時，所有財務資產方予以確認。以正常方式購買及出售之財務資產於交易日確認。財務資產首次予以確認時乃按公平值加應佔直接交易成本計量。

當收取投資現金流量之權利屆滿或轉移及擁有權之絕大部分風險與回報已轉移時解除確認財務資產。

貸款及應收款項為附帶固定或可釐定付款之非衍生財務資產，且並無在活躍市場計算報價。其後採用實際利率法以攤銷成本減任何減值虧損列賬。攤銷成本經計及任何收購折讓或溢價後計算，並包括屬於實際利率及交易成本之組成部分之各項費用。

按公平值計入損益之財務資產包括持作交易用途，為近期出售而購入之財務資產。初步確認後，按公平值計入損益之財務資產按公平值計量，公平值變動於產生期間於損益確認。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial assets (Continued)

Impairment of financial assets

At each reporting date, financial assets are reviewed to determine whether there is any objective evidence of impairment. Financial assets are impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the assets and that event has an impact on the estimated future cash flows of the financial assets that can be reliably estimated. Evidence of impairment may include:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group.

3. 重大會計政策概述 (續)

(o) 財務資產 (續)

財務資產減值

於各報告日期會對財務資產進行審閱，以釐定是否有任何客觀減值證據。倘於初步確認資產後發生一項或多項事項，而該等事項對該財務資產之估計未來現金流產生重大影響且能可靠地估計，導致出現客觀減值證據，則作出財務資產減值。減值證據包括：

- 債務人遭遇重大財務困難；
- 違約，譬如拖欠或無法如期償還本息；
- 債務人可能會破產或進行其他財務重組；或
- 科技、市場、經濟或法律環境之重大變化對債務人造成不利影響。

有關一組財務資產之虧損事項包括可觀察資料顯示該組財務資產之估計未來現金流量出現可計量之減少。有關可觀察資料包括但不限於本集團債務人之付款狀況出現不利變動，及與拖欠本集團資產有關之國內或本地經濟狀況。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial assets (Continued)

Impairment of financial assets (Continued)

If there is objective evidence that an impairment loss on loans and receivables has been incurred, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of loss is recognised in profit or loss of the period in which the impairment occurs.

If, in subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.

3. 重大會計政策概述 (續)

(o) 財務資產 (續)

財務資產減值 (續)

倘有客觀證據顯示貸款及應收款項出現減值虧損，則虧損金額按資產賬面值與估計未來現金流量（不包括未產生之未來信貸虧損）按財務資產之原實際利率（即首次確認時計算之實際利率）折現之現值兩者之差額計量。虧損金額於減值出現期間在損益表中確認。

倘其後減值虧損金額減少，而有關減幅可客觀地與確認減值後發生之事件相關，則撥回過往確認之減值虧損，惟於撥回減值當日不得導致財務資產賬面值超過如無確認減值之原有攤銷成本。撥回金額於撥回發生期間在損益表中確認。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income.

3. 重大會計政策概述 (續)

(p) 所得稅

本年度所得稅包括當期稅項及遞延稅項。

當期稅項乃日常業務所得損益（已就毋須繳納所得稅或不獲寬減所得稅之項目作出調整），按於報告期間完結時已頒佈或實質上已頒佈之稅率計算。

遞延稅項會就用作財務報告用途之資產及負債賬面值與用作稅項用途之相應金額之暫時差異確認。除商譽及不影響會計或應課稅溢利之已確認資產及負債外，遞延稅項負債就所有應課稅暫時差異進行確認。倘有可用以抵銷可扣減暫時差異之應課稅溢利，則會確認遞延稅項資產。遞延稅項乃按適用於資產或負債之賬面值獲變現或結算之預期方式及於報告期間完結時已頒佈或實質上已頒佈之稅率計量。

遞延稅項負債就投資於附屬公司所產生的應課稅暫時差額確認，惟本集團能夠控制暫時差額之撥回及暫時差額可能於可預見將來不會撥回除外。

所得稅於損益賬內確認，惟倘所得稅與其他全面收益內確認之項目相關除外，在此情況下，稅項亦在其他全面收益中確認。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand, demand deposits with banks and short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows presentation, cash and cash equivalents include bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

(r) Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued. Any transaction costs associated with the issue of shares are deducted from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

(s) Financial liabilities

The Group's financial liabilities include trade and other payables, accruals, bank and other borrowings, amounts due to non-controlling shareholders and convertible bonds.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised in accordance with the Group's accounting policy for borrowing costs (see note 3(g)).

A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires.

3. 重大會計政策概述 (續)

(q) 現金及現金等值項目

現金及現金等值項目包括銀行結存及手頭現金、銀行活期存款及原定到期日為三個月或以下且可隨時兌換為已知現金數額及價值變動風險不大之高流動性短期投資。就呈列現金流量表而言，現金及現金等值項目包括應要求償還且構成本集團現金管理組成部分之銀行透支。

(r) 股本

普通股股份被歸類為權益。股本按已發行股份之面值釐定。與股份發行有關之任何交易成本均從股份溢價（扣除任何有關所得稅利益）扣除，惟其須為直接因權益交易而產生之增量成本。

(s) 財務負債

本集團之財務負債包括應付貿易賬項及其他應付款項、應計款項、銀行及其他借款、應付非控股股東款項及可換股債券。

財務負債在本集團成為有關工具合約條文訂約方時確認。所有相關利息開支根據本集團借款成本之會計政策確認（請參閱附註3(g)）。

當負債之責任解除、取消或到期，則會取消確認財務負債。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Financial liabilities (Continued)

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

Trade and other payables, accruals and amounts due to non-controlling shareholders

These are recognised initially at their fair value and subsequently measured at amortised cost, using effective interest method. The related interest expense is recognised in profit or loss.

Convertible bonds that contain an equity component

Convertible bonds that can be converted to share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability and an equity component.

Convertible bonds that contain both financial liability and equity components are classified separately into respective liability and equity components on initial recognition. On initial recognition, the fair value of the liability component is determined using the prevailing market interest rate for similar non-convertible debts. The difference between the proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the call option for conversion of the bonds into equity, is included in equity as convertible bond equity reserve.

3. 重大會計政策概述 (續)

(s) 財務負債 (續)

倘現有財務負債由同一貸款人按非常不同之條款以另一項財務負債取代，或現有負債條款經大幅修改，則有關交換或修改視作取消確認原有負債及確認新負債，而有關賬面值間之差額則於損益表中確認。

應付貿易賬項及其他應付款項、應計款項及應付非控股股東款項

該等款項首次按公平值確認，其後按實際利率法以攤銷成本計量。有關利息開支於損益確認。

包含權益部分之可換股債券

可按持有人選擇兌換為股本之可換股債券，倘於換股時將予發行之股份數目及屆時將可收取之代價價值不變，則作為同時含有負債及權益部分之複合金融工具入賬。

可換股債券包含財務負債及權益部分，乃於首次確認時獨立分類為負債及權益部分。於首次確認時，負債部分之公平值乃按類似非可換股債務之現行市場利率釐定。發行可換股債券之所得款項與轉撥負債部分之公平值之差額，即可將債券兌換為權益之認購選擇權，計入權益作為可換股債券權益儲備。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Financial liabilities (Continued)

Convertible bonds that contain an equity component (Continued)

Liability component is subsequently carried at amortised cost using effective interest method whilst equity component will remain in equity until conversion or redemption of the bonds.

When the bonds are converted, the convertible bond equity reserve and the carrying value of the liability component at the time of conversion are transferred to share capital and share premium as the consideration for the shares issued. If the bonds are redeemed, the convertible bond equity reserve is released directly to accumulated losses.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

Borrowings

These are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

3. 重大會計政策概述 (續)

(s) 財務負債 (續)

包含權益部分之可換股債券 (續)

負債部分其後採用實際利率法按攤銷成本列賬。權益部分在兌換或贖回債券前仍保留於權益內。

倘債券獲兌換，可換股債券權益儲備及負債部分之賬面值於兌換時轉入股本及股份溢價，作為已發行股份之代價。倘債券獲贖回，可換股債券權益儲備將直接釋放至累計虧損。

有關發行可換股債券之交易成本按所得款項之分配比例分配至負債及權益部分。有關權益部分之交易成本直接於權益扣除。有關負債部分之交易成本計入負債部分之賬面值並於可換股債券之年期內使用實際利率法攤銷。

借款

借款乃按公平值扣除交易成本初步確認。借款隨後以攤銷成本列賬；所收款項（扣除交易成本）與贖回價值間之任何差異，按實際利率法於借款期間內在損益表內確認。

除非本集團擁有無條件權利延遲清償負債至報告日期後至少12個月，否則借款被歸類為流動負債。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(u) Retirement benefits costs and short-term employee benefits

Retirement benefits to employees are provided through defined contribution plans.

Defined contribution plans

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF scheme. Assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

3. 重大會計政策概述 (續)

(t) 撥備及或然負債

撥備於本集團因過往事件而現在負有債務(法定或推定),及有可能需要經濟利益支出以清償債務,且能得出可靠估計時予以確認。倘貨幣之時間價值重大時,撥備將按預期清償債務之支出之現值列賬。所有撥備均於每個報告日期經過審查,並經調整以反映當期之最佳估計。

倘有可能不需要經濟利益支出,或者金額無法可靠估計,則除非經濟利益支出之機會極微,否則債務將作為或然負債予以披露。如果本集團之潛在責任須視乎某宗或多宗本集團並不能完全控制之未來不確定事件是否發生才能確定是否存在,亦會披露為或然負債,但經濟利益支出之可能性極低則除外。

(u) 退休福利成本及短期僱員福利

僱員退休福利乃透過定額供款計劃而提供。

定額供款計劃

根據強制性公積金計劃條例,本集團為所有香港僱員設立定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款乃按僱員基本薪金之百分比計算,並於根據強積金計劃之規定須作出供款時自損益表扣除。強積金計劃之資產以獨立管理基金形式持有,與本集團之資產分開。本集團就強積金計劃支付之僱主供款全部歸僱員所有。

NOTES TO THE FINANCIAL STATEMENTS

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Retirement benefits costs and short-term employee benefits (Continued)

Defined contribution plans (Continued)

According to the relevant regulations in the PRC, the subsidiaries of the Group operating in the PRC are required to participate in central pension schemes operated by the respective local municipal governments, whereby the PRC subsidiaries are required to contribute a certain percentage of the basic salaries of their employees to the scheme to fund their retirement benefits. The scheme is responsible for the entire pension obligations payable to the retired employees and the Group has no further obligations for the actual pension payments or other post-retirement benefits beyond the employer contributions. Contributions under the scheme are charged to profit or loss as they become payable in accordance with the rules and regulations in the PRC.

Short-term employee benefits

Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for unused annual leave as a result of services rendered by employees up to the reporting date. Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

(v) Share-based compensation

The Group operates equity-settled share-based compensation plans for remuneration of its employees and directors.

3. 重大會計政策概述 (續)

(u) 退休福利成本及短期僱員福利 (續)

定額供款計劃 (續)

根據中國相關規定，本集團於中國經營之附屬公司須參與由個別地方市政府管理之中央退休金計劃，據此，中國附屬公司須將其僱員基本薪金之若干百分比撥歸有關計劃，作為退休福利所需之款項。有關計劃須承擔向退休僱員支付所有退休金之責任，除僱主供款外，本集團就實際退休金款項或其他退休後福利概不承擔更多責任。根據有關計劃作出之供款乃於其根據中國法律及法規而應付時在損益表內扣除。

短期僱員福利

當僱員成為正式僱員時，即可享有年假。本集團會就僱員至報告日期所提供之服務而未動用之年假所產生之估計負債作出撥備。如病假及產假等非累計計薪休假於提取假期時方予確認。

(v) 以股份為基礎之補償

本集團就僱員及董事薪酬設立以股本結算之以股份為基礎之補償計劃。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Share-based compensation (Continued)

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

For other goods or services received by the Group in exchange for the grant of any share-based compensation, they are directly measured at the fair value of the goods or services received.

All share-based compensation is recognised as an expense in profit or loss over the vesting period if vesting conditions apply, or recognised as an expense in full at the grant date when the equity instruments granted vest immediately unless the compensation qualifies for recognition as asset, with a corresponding increase in the share option reserve in equity. If vesting conditions apply, the expense is recognised over the vesting period, based on the best available estimate of the number of equity instruments expected to vest. Non-market vesting conditions are included in assumptions about the number of equity instruments that are expected to vest. Estimates are subsequently revised, if there is any indication that the number of equity instruments expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally vested.

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. After vesting date, when the vested share options are later forfeited or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

3. 重大會計政策概述 (續)

(v) 以股份為基礎之補償 (續)

本集團就交換僱員服務而授出之任何以股份為基礎之補償均按公平值計算價值，以所授出購股權之價值間接釐定。計價以授出日期為準，須扣除非市場歸屬條件影響之價值（如盈利能力及銷售增長目標）。

本集團為其他貨品或服務而授出之任何以股份為基礎之補償，乃直接按所接獲之貨品或服務之公平值計量。

所有以股份為基礎之補償除非合資格確認為資產，否則於歸屬期於損益表確認為開支（倘歸屬條件適用），或於授出當日所授出股本工具即時歸屬時全數確認為開支，並相應增加權益內之購股權儲備。倘歸屬條件適用，則根據對預期將會歸屬之股本工具數目作出之最佳估計於歸屬期內確認開支。對預期將歸屬之股本工具數目之假設包括非市場歸屬條件。倘其後有跡象顯示預期歸屬之股本工具數目有別於之前所估計數目，則其後對估計作出修訂。倘最終行使之購股權少於原先估計，則不會對以往期間確認之開支作出調整。

購股權獲行使時，先前於購股權儲備中確認之金額會轉撥至股份溢價。於歸屬日後，倘已歸屬之購股權被沒收或於屆滿日期尚未行使，則先前已於購股權儲備內確認之金額將轉撥至累計虧損。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that these will be received and the Group will comply with all attached conditions. Government grants are recognised in profit or loss over the period necessary to match them with the costs that the grants are intended to compensate. Government grants relating to the purchase of assets are included in liabilities as deferred government grants in the statement of financial position and are recognised in profit or loss on straight-line method over the expected lives of the related assets.

Government grants relating to income is presented in gross under "Other income" in the consolidated income statement.

(x) Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major product lines.

The Group has identified the following reportable segments:

- Oil production
- Oil and liquefied chemical terminal; and
- Supply of electricity and heat.

3. 重大會計政策概述 (續)

(w) 政府補助

倘可合理保證將獲得政府補助及本集團符合所有附帶條件，則會按公平值確認政府之補助。政府補助按照將其與擬定補償之費用進行配對所需之期間於損益表遞延確認。與購置資產有關之政府補助於財務狀況表作為遞延政府補助計為負債，並以直線法按有關資產之預期年期於損益表確認。

與收入有關之政府補助於綜合損益表內整體呈列為「其他收入」。

(x) 分類報告

本集團根據定期向執行董事匯報以供決定分配資源至本集團業務分部及檢討該等分部表現之內部財務資料，確立營運分類及編製分類資料。向執行董事報告之內部財務資料之業務分部乃按照本集團主要產品種類釐定。

本集團已確立以下報告分類：

- 產油
- 油品及液體化工品碼頭；及
- 熱電供應。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Segment reporting (Continued)

Each of these operating segments is managed separately as each of the product line requires different resources as well as marketing approaches. All inter-segment transfers are priced with reference to prices charged to external parties for similar orders.

The measurement policies the Group used for reporting segment results under HKFRS 8 are the same as those used in its financial statements prepared under HKFRSs, except that finance costs, income tax and corporate income and expenses which are not directly attributable to the business activities of any operating segment are not included in arriving at the operating results of the operating segment.

Segment assets include all assets but corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment, which primarily applies to the Group's headquarter.

Segment liabilities exclude corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment.

No asymmetrical allocations have been applied to reportable segments.

3. 重大會計政策概述 (續)

(x) 分類報告 (續)

由於各產品種類需要不同資源及不同推銷方式，上述各營運分類單獨分開管理。所有分類間轉讓乃參考同類訂單向外間人士收取之價格定價。

本集團根據香港財務報告準則第8號報告分類業績所用之計量政策與根據香港財務報告準則編製之財務報表所採用者相同，惟並非任何營運分類業務活動直接產生之財務成本、所得稅及公司收入及開支不計入營運分類之營運業績。

分類資產包括所有資產，但並非直接與任何營運分類業務活動有關之公司資產不會分配至任何分類，而主要歸入本集團總部。

分類負債不包括並非任何營運分類業務活動直接產生之公司負債，該公司負債亦不會分配至任何分類。

非對稱分配不應用於報告分類。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

3. 重大會計政策概述 (續)

(y) 關連人士

- (a) 符合以下條件之一的人士或其直系家庭成員將被視為本集團的關聯方：
- (i) 對本集團有控制或共同控制；
 - (ii) 對本集團有重大影響；或
 - (iii) 本集團或本公司母公司主要管理人員的成員。
- (b) 符合以下條件之一的企業將被視為本集團的關聯方：
- (i) 企業和本集團為同一集團下的成員（即母公司、附屬公司及同系附屬公司均為相互的關聯方）；
 - (ii) 企業為另外一家企業的聯營公司或合營公司（或企業為該另外一家企業的集團成員的聯營公司或合營公司）；
 - (iii) 兩家企業同為一個第三方的合營公司；
 - (iv) 企業為一家第三方企業的合營公司及另一家企業為該第三方企業的聯營公司；

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(y) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity); and
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

3. 重大會計政策概述 (續)

(y) 關連人士 (續)

- (b) 符合以下條件之一的企業將被視為本集團的關聯方：
(續)
- (v) 企業為一僱員退休福利計劃，且該福利計劃的受益人為本集團的僱員或本集團任何關聯方；
- (vi) 企業被在註釋(a)下認定的人士控制或共同控制；
- (vii) 在註釋(a)(i)下認定的人士對企業有重大影響，或該人士為企業（或企業的母公司）的主要管理人員；及
- (viii) 向報告實體或向報告實體之母公司提供主要管理人員服務之實體或其所屬集團之任何成員公司。

個人的直系家庭成員是指預期他們在與企業的交易中，可能會影響該個人或受其影響的家屬，當中包括：

- (i) 該名人士之子女及配偶或同居伴侶；
- (ii) 該名人士之配偶或同居伴侶之子女；及
- (iii) 該名人士或其配偶或其同居伴侶之受養人。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Depreciation

Other than oil properties and CIP, the Group depreciates its property, plant and equipment using straight-line method over their estimated useful lives of 3 to 29 years. The estimated useful lives reflect the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of these property, plant and equipment.

(ii) Impairment of receivables

The Group's management reviews receivables on a regular basis to determine if any provision for impairment is necessary. Impairment loss on receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Allowances for impairment of receivables are determined by management based on the repayment history of its debtors and the current market conditions. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. Management reassesses the impairment of receivables, if any, at the reporting date.

4. 重大會計估計及判斷

估計及判斷會持續進行評估，並根據過往經驗及其他因素進行評價，包括在有關情況下相信為合理之對未來事件之預測。

本集團對未來作出估計及假設。所得之會計估計因其性質使然，很少會與實際結果一致。下述估計及假設存在可能導致須於下個財政年度對資產及負債之賬面值作出重大調整之重大風險：

(i) 折舊

除石油資產及在建工程外，本集團之物業、廠房及設備乃採用直線法按其估計可使用年期3至29年折舊。估計可使用年期反映董事對本集團擬透過使用該等物業、廠房及設備取得未來經濟效益之年期之估計。

(ii) 應收款項減值

本集團管理層會定期審閱應收款項，以釐定是否需要計提減值撥備。當有客觀憑證顯示本集團將無法根據應收款項之原有條款收回所有到期金額時，確定應收款項之減值虧損。應收款項減值撥備乃由管理層根據其債務人之還款記錄及當前市況而釐定。債務人面臨重大財務困難、債務人可能破產或進行財務重組以及拖欠或欠付款額均被視為應收款項減值之跡象。管理層會於報告日期重估應收款項之減值（如有）。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

(iii) Estimated impairment of goodwill

The Group tests on annual basis whether goodwill is impaired in accordance with the accounting policy stated in note 3(l). The recoverable amounts of CGUs are determined based on value-in-use calculations. These calculations require the use of judgement and estimates of the future cash flows expected to arise from the CGUs, the timeframe for the cash flows forecast and the suitable discount rates in order to calculate the present value. Details in impairment assessment are set out in note 16 to the financial statements.

(iv) Estimated impairment of intangible assets and validity of the Songliao Contract

The recoverable amount of interests in Songliao Contract is determined based on the income approach. These calculations require the use of estimates about future cash flows, discount rate and oil reserves. In the process of estimation, management makes assumptions about future cash flow, costs and oil reserves. Details in impairment assessment are set out in note 17 to the financial statements.

4. 重大會計估計及判斷 (續)

(iii) 商譽之估計減值

根據附註3(l)所載之會計政策，本集團會每年測試商譽是否出現減值。現金產生單位之可收回金額乃根據使用價值之計算結果而釐定。有關計算需要使用對預期將自現金產生單位產生之未來現金流量之判斷及估計，亦需選定現金流量預測之時間範圍及合適之貼現率以計算其現值。減值評估之詳情載於財務報表附註16。

(iv) 無形資產估計減值及松遼合約之有效性

松遼合約之權益之可收回金額按收入法釐定。該等計算方法要求使用估計日後現金流量、貼現率及石油儲量。在進行估計時，管理層對日後現金流量、成本及石油儲量作出假設。減值評估之詳情載於財務報表附註17。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(iv) Estimated impairment of intangible assets and validity of the Songliao Contract (Continued)

As described in note 3(a)(i), the directors of the Company found that Mr. A was formally charged by prosecution authorities in the PRC for illegal operation crime, possibly involving allegations about improper conduct in obtaining of the Songliao Contract. The directors of the Company consider that the Charge is only at a preliminary stage and it is not possible to estimate the outcome on the Group's oil production business and financial position, arising from the Charge against Mr. A. Nevertheless, it is possible that the Group may not be able to exercise its right under the Songliao Contract and its Oil Production Assets may be fully impaired if the Songliao Contract becomes void when Mr. A is found guilty for his suspected improper conduct in obtaining the Songliao Contract. Having taken into account of the legal opinion, the directors consider that the Songliao Contract will continue to be valid and will be executed as planned as the Group has close working relationship with the State-owned Enterprise and up to the date of authorisation for issue of the consolidated financial statements, there is no indication from the State-owned Enterprise regarding any potential claim or questioning on the validity of the Songliao Contract. Where the actual outcome of the Charge is different with the directors' expectation and with significant adverse change, it will have significant effect on the consolidated financial statements, in particular the Group's intangible assets and property, plant and equipment.

4. 重大會計估計及判斷 (續)

(iv) 無形資產估計減值及松遼合約之有效性 (續)

如附註3(a)(i)所述，本公司董事發現A先生遭中國檢控機關正式控告非法經營罪，其中可能涉及其於獲得松遼合約時有不當行為。本公司董事認為，有關控告尚處於初始階段，無法估計針對A先生提出之控告的結果對本集團之產油業務及財務狀況造成之影響。儘管如此，本集團可能無法行使其於松遼合約項下之權利，且倘松遼合約因A先生就其於取得松遼合約過程中涉嫌不當行為被裁斷罪名成立而成為無效時，其產油資產或會遭悉數減值。經考慮相關法律意見，董事認為松遼合約將繼續有效並按計劃執行，蓋因本集團與國有企業建立緊密合作關係以及截至授權刊發綜合財務報表之日，國有企業並無提出任何潛在索償或對松遼合約之有效性提出質疑。倘有關控告之實際結果有別於董事預期，並引致重大不利變動，則其將對綜合財務報表，尤其是本集團之無形資產以及物業、廠房及設備造成重大影響。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(v) Control on QHFSMI and IMFSMI

As described in notes 3(a)(iii) and 3(a)(iv) to the financial statements, as soon as the Group had discovered the loss of QHFSMI's exploration licence, without the Company's knowledge, consent or approval, the Group obtained advice from its legal advisers. Given the discovery of the loss of significant controls over QHFSMI, the Board is no longer in the position of maintaining the Group's power over QHFSMI and IMFSMI. In March 2016, the Company received the final decision letter from Qinghai Procuratorate in favour of the Group. As the Group is still in the process of regaining the controlling power over QHFSMI and IMFSMI, the Group was still unable to exercise of its power over QHFSMI and IMFSMI. Accordingly, the directors of the Company consider that it was inappropriate to consolidate the financial statements of QHFSMI and IMFSMI into the Group for the year and these two-wholly owned entities have been de-consolidated since 2010.

(vi) Estimation of oil reserves

Oil reserves are key elements in the Company's investment decision-making process. They are also an important element in testing for impairment. Changes in oil reserves will affect unit of production depreciation, depletion and amortisation recorded in the financial statements for oil properties and intangible assets related to oil production activities. A reduction in oil reserves will increase depreciation, depletion and amortisation (assuming constant production) and reduce net profit. Oil reserve estimates are subject to revision, either upward or downward, based on new information, such as from developing drilling and production activities or from changes in economic factors, including product prices or development plans. In general, changes in the technical maturity of oil reserves resulting from new information becoming available from development and production activities have tended to be the most significant cause of annual revisions.

4. 重大會計估計及判斷 (續)

(v) 青海森源及內蒙古森源之控制權

如財務報表附註3(a)(iii)及3(a)(iv)所述，本集團發現在本公司不知情及未經本公司同意或批准下失去青海森源之勘探牌照後，已獲得本集團法律顧問之意見。鑒於發現喪失對青海森源之重大控制權，董事會已無法再維持本集團對青海森源及內蒙古森源之權力。於二零一六年三月，本公司接獲青海檢察院發出之有利於本集團之不支持監督申請決定書。由於本集團仍在努力取回對青海森源及內蒙古森源之控制權，故本集團仍無法行使其對青海森源及內蒙古森源之權力。因此，本公司董事認為，本年度不宜將青海森源及內蒙古森源之財務報表綜合計入本集團之賬目內，故該兩間全資擁有實體自二零一零年起不再綜合計入賬目內。

(vi) 石油儲量之估計

石油儲量對本公司之投資決策過程至關重要，亦為進行減值測試之重要因素。石油儲量之變動將影響財務報表就與石油生產活動相關之石油資產及無形資產所記錄之單位產量折舊、損耗及攤銷。石油儲量之減少將增加折舊、損耗及攤銷金額（假設持續生產），並令純利減少。石油儲量估計乃按照開採鑽探及生產活動之新資訊或產品價格或開發方案等經濟因素變化而上下調整。整體而言，開發及生產活動所帶來之新資訊會導致石油儲量之技術純熟度出現變動，將成為年度調整之最主要因素。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(vii) Taxation

The Group is subject to income taxes in Hong Kong and the PRC. There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provisions in the period in which such final tax liabilities determination is made.

Deferred tax assets are recognised only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those deferred tax assets are likely to reverse, and a judgement as to whether there will be sufficient taxable income available to offset the tax assets when they do reverse. These judgements are subject to risk and uncertainty and therefore, to the extent assumptions regarding future profitability change, there can be a material increase or decrease in the amounts recognised in the consolidated statement income statement in the period in which the change occurs.

4. 重大會計估計及判斷 (續)

(vii) 稅項

本集團須繳納香港及中國所得稅。於日常業務過程中，若干交易及計算難以釐定最終稅項。本集團根據估計是否存在到期額外稅項而確認預期稅項之負債。倘該等事宜之最終稅務結果與初始入賬金額不同，該等差額將會影響釐定有關最終稅項負債期間之所得稅撥備。

遞延稅項資產僅在其被認為可收回時方予確認。此涉及評估該等遞延稅項資產將於何時有可能回轉，及判斷當稅項資產回轉時，是否有足夠之應課稅收入抵銷稅項資產。該等判斷受風險及不確定因素影響，因此，如有關未來盈利能力之假設發生變化，於發生變化期間之綜合收益表確認之金額可能大幅增加或減少。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(viii) Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are:

Level 1: Quoted prices in active markets for identical items (unadjusted);

Level 2: Observable direct or indirect inputs other than Level 1 inputs;

Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures the certain assets and financial assets at fair value through profit or loss at fair value as at 31 December 2015. Detailed information in relation to the fair value measurement are set out in notes 14, 21 and 41.

4. 重大會計估計及判斷 (續)

(viii) 公平值計量

計入本集團財務報表之若干資產及負債須按公平值計量及/或作出公平值披露。

本集團財務及非財務資產及負債之公平值計量盡可能使用市場可觀察輸入值及數據。釐定公平值計量所用之輸入值乃基於估值技術所用輸入值之可觀察程度而分類為不同等級：

第一級：相同項目之活躍市場報價（未經調整）；

第二級：第一級輸入值以外之直接或間接可觀察輸入值；

第三級：不可觀察輸入值（即並非衍生自市場數據）。

項目乃根據對該項目之公平值計量具有重要影響之最低等級輸入值而分類至上述等級。等級之間的項目轉移於發生期間確認。

於二零一五年十二月三十一日，本集團按公平值計量若干資產及按公平值計入損益之財務資產。有關公平值計量之詳細資料載於附註14、21及41。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(ix) Valuation of convertible bonds

The directors of the Company use their judgement in selecting an appropriate valuation technique for the Group's convertible bonds which are not quoted in the active market. Valuation techniques commonly used by market practitioners are applied. The fair value of the financial liability and equity component are estimated by an independent firm of the professional valuers. The fair value of these components varies with different variables of certain subjective assumptions. Any change in these variables so adopted may materially affect the estimation of the fair value of these components.

(x) Estimated fair value of the acquired intangible assets

Fair value of sea area use right is determined based on excess earnings method. These calculations require the use of estimates about future cash flows, discount rate and production capacity. In the process of estimation, management makes assumptions about future cash flow, costs and production capacity.

(xi) Going concern

The directors of the Company have prepared the consolidated financial statements on the assumption that the Group will be able to operate as a going concern in the foreseeable future, which is a critical judgement that has the most significant effect on the amounts recognised in the consolidated financial statements. The assessment of the going concern assumption involves making a judgement by the directors, about the future outcome of events or conditions which are inherently uncertain. The directors consider that, after taking into account of all major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern assumption are set out in note 3(a)(ii) to the consolidated financial statements, the Group has the capability to continue as a going concern.

4. 重大會計估計及判斷 (續)

(ix) 可換股債券之估值

本公司董事使用其判斷為並無活躍市場報價之本集團可換股債券選擇合適估值技術。採用市場參與者慣常使用之估值技術。金融負債及權益部分之公平值由專業估值師獨立公司予以估計。該等部分之公平值因若干主觀假設之不同變量而各不相同。所採納該等變量之任何變動會對該等部分公平值之估計金額產生重大影響。

(x) 被收購無形資產之估計公平值

海域使用權之公平值乃採用超額收益法釐定。有關計算須使用有關未來現金流、貼現率及產能之估計。於估計過程中，管理層就未來現金流、成本及產能作出假設。

(xi) 持續經營

本公司董事乃基於本集團於可預見未來能夠持續經營之假設編製綜合財務報表。該假設屬重大判斷，對綜合財務報表內已確認金額具有重大影響力。對持續經營假設之評估，涉及董事就本質上不確定之事件或狀況之未來結果作出判斷。經考慮綜合財務報表附註3(a)(ii)所載可能導致業務風險（可能個別或共同引發對持續經營假設之重大疑慮）之所有重大事件或狀況後，董事認為本集團有能力持續經營。

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財務報表附註

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5. REVENUE AND OTHER INCOME

The Group's principal activities are disclosed in note 1 to the financial statements. Revenue from the Group's principal activities and other income recognised are as follows:

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Revenue	收益		
Sale of electricity and heat	銷售熱電	46,805	125,824
Sale of crude oil	銷售原油	40,675	102,099
		87,480	227,923
Other income	其他收入		
Bank interest income	銀行利息收入	24	70
Gain on disposals of property, plant and equipment	出售物業、廠房及設備之收益	-	59
Government grants	政府補助	1,168	5,858
Gain on extinguishment of non-current borrowings (note 27)	抵銷非流動借款之收益 (附註27)	-	2,867
Sundry income	各項收入	37	125
		1,229	8,979

Government grant is mainly unconditional grants from the local government in the PRC to the Group to compensate for the heat energy supplied to the local central heat station.

5. 收益及其他收入

本集團之主要業務於財務報表附註1披露。本集團主要業務之收益及已確認其他收入載列如下：

政府補助主要為中國地方政府對本集團之無條件補助，作為向地方城市集中供熱總站供應熱能之補償。

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6. SEGMENT INFORMATION

The Group has identified its operating segments and prepared segment information based on the regular internal financial information reported to management of the Group for their decisions about resources allocation to the Group's business components and review of these components' performance. The business components in the internal reporting to management of the Group are determined based on the Group's major product and service lines. The Group has identified the following reportable segments.

- (a) the Oil Production segment represents the business of oil production;
- (b) the Oil and Liquefied Chemical Terminal segment represents the business of operation of oil and liquefied chemical terminal, storage and logistics facilities (New segment during the year); and
- (c) the Supply of Electricity and Heat segment represents the business of generation and supplying of electricity and heat.

There was no inter-segment sale and transfer during the year (2014: Nil).

6. 分類資料

本集團已根據定期向本集團管理層匯報以供決定分配資源至本集團業務分部及檢討該等分部表現之內部財務資料，確立其營運分類及編製分類資料。向本集團管理層進行內部報告之業務分部乃按照本集團主要產品及服務種類釐定。本集團已確立以下報告分類。

- (a) 產油分類，指產油業務；
- (b) 油品及液體化工品碼頭分類，指經營油品及液體化工品碼頭、儲存及物流設施業務（本年度新設立之分類）；及
- (c) 熱電供應分類，指熱電生產及供應業務。

於年內並無分類間之出售及轉讓（二零一四年：無）。

	Oil Production		Oil and Liquefied Chemical Terminal		Supply of Electricity and Heat		Total	
	2015 HK\$'000	2014 HK\$'000	2015 HK\$'000	2014 HK\$'000	2015 HK\$'000	2014 HK\$'000	2015 HK\$'000	2014 HK\$'000
	二零一五年 千港元	二零一四年 千港元	二零一五年 千港元	二零一四年 千港元	二零一五年 千港元	二零一四年 千港元	二零一五年 千港元	二零一四年 千港元
Reportable segment revenue: From external customers	40,675	102,099	-	-	46,805	125,824	87,480	227,923
Reportable segment (loss)/profit	(471,973)	(612,210)	24,193	-	(90,073)	(271,662)	(537,853)	(883,872)
Bank interest income	23	39	-	-	-	27	23	66
Gain on extinguishment of non-current borrowings	-	2,867	-	-	-	-	-	2,867
Depreciation	14,076	17,631	-	-	29,121	29,898	43,197	47,529
Amortisation of prepaid land lease payments	-	-	-	-	679	696	679	696
Amortisation of intangible assets	4,392	8,400	-	-	-	-	4,392	8,400
Impairment loss of goodwill	-	-	-	-	-	62,662	-	62,662
Impairment loss of intangible assets	408,954	441,894	-	-	-	-	408,954	441,894
Impairment loss of property, plant and equipment	33,843	185,136	-	-	48,618	175,456	82,461	360,592
Impairment loss of prepaid land lease payments	-	-	-	-	6,106	17,032	6,106	17,032
Reportable segment assets	629,222	1,151,507	577,712	-	152,129	224,417	1,359,063	1,375,924
Additions to non-current segment assets during the year	45	61,846	-	-	-	248	45	62,094
Reportable segment liabilities	300,362	409,137	263,900	-	101,176	102,878	665,438	512,015

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6. SEGMENT INFORMATION (Continued)

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the consolidated financial statements as follows:

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Revenue	收益		
Reportable segment revenue and consolidated revenue	報告分類收益及綜合收益	87,480	227,923
Loss before income tax	除所得稅前虧損		
Reportable segment loss	報告分類虧損	(537,853)	(883,872)
Finance costs	財務成本	(20,049)	(10,577)
Other unallocated income	其他未分配收入	9	492
Other unallocated expenses	其他未分配開支	(77,282)	(17,264)
Consolidated loss before income tax	除所得稅前綜合虧損	(635,175)	(911,221)
		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Assets	資產		
Reportable segment assets	報告分類資產	1,359,063	1,375,924
Property, plant and equipment	物業、廠房及設備	59	67
Cash at banks and in hand	銀行結存及手頭現金	96,249	3,710
Other corporate assets	其他企業資產	55,455	444
Group assets	本集團資產	1,510,826	1,380,145
Liabilities	負債		
Reportable segment liabilities	報告分類負債	665,438	512,015
Convertible bonds	可換股債券	141,450	-
Other corporate liabilities	其他企業負債	16,727	10,205
Group liabilities	本集團負債	823,615	522,220

All revenue from external customers are located in the PRC (domicile). Geographical location of customers is based on the location at which the goods are delivered. No geographical location of non-current assets is presented as substantial non-current assets are physically based in the PRC.

6. 分類資料 (續)

就本集團營運分類所呈列之總金額與綜合財務報表中呈列之本集團主要財務數字之對賬如下：

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Revenue	收益		
Reportable segment revenue and consolidated revenue	報告分類收益及綜合收益	87,480	227,923
Loss before income tax	除所得稅前虧損		
Reportable segment loss	報告分類虧損	(537,853)	(883,872)
Finance costs	財務成本	(20,049)	(10,577)
Other unallocated income	其他未分配收入	9	492
Other unallocated expenses	其他未分配開支	(77,282)	(17,264)
Consolidated loss before income tax	除所得稅前綜合虧損	(635,175)	(911,221)
		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Assets	資產		
Reportable segment assets	報告分類資產	1,359,063	1,375,924
Property, plant and equipment	物業、廠房及設備	59	67
Cash at banks and in hand	銀行結存及手頭現金	96,249	3,710
Other corporate assets	其他企業資產	55,455	444
Group assets	本集團資產	1,510,826	1,380,145
Liabilities	負債		
Reportable segment liabilities	報告分類負債	665,438	512,015
Convertible bonds	可換股債券	141,450	-
Other corporate liabilities	其他企業負債	16,727	10,205
Group liabilities	本集團負債	823,615	522,220

所有來自外間客戶之收益均位於中國(居籍)。客戶所在地區乃根據所交付貨品之地區劃分。由於大部份非流動資產實際位於中國，因此並無呈列非流動資產所在地區。

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6. SEGMENT INFORMATION (Continued)

Revenue from the major customers is as follows:

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Customer A (derived from the Oil Production segment)	客戶A (來源於產油分類)	40,675	102,099
Customer B (derived from the Supply of Electricity and Heat segment)	客戶B (來源於熱電供應分類)	13,710	60,187
Customer C* (derived from the Supply of Electricity and Heat segment)	客戶C* (來源於熱電供應分類)	14,514	–
Customer D* (derived from the Supply of Electricity and Heat segment)	客戶D* (來源於熱電供應分類)	12,716	–
		81,615	162,286

* Amounts for Customers C and D for the year ended 31 December 2014 had not been disclosed as the revenue from each of these customers were less than 10% of the Group's revenue in that year.

6. 分類資料 (續)

來自主要客戶之收益如下：

	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
客戶A (來源於產油分類)	40,675	102,099
客戶B (來源於熱電供應分類)	13,710	60,187
客戶C* (來源於熱電供應分類)	14,514	–
客戶D* (來源於熱電供應分類)	12,716	–
	81,615	162,286

* 客戶C及客戶D於截至二零一四年十二月三十一日止年度之金額尚未披露，蓋因來自每位該等客戶之收益少於本集團該年收益之10%。

7. FINANCE COSTS

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Imputed interest on convertible bonds (note 28)	可換股債券之推算利息 (附註28)	9,268	–
Imputed interest on other borrowings due within one year	於一年內到期之其他借款之推算利息	5,191	5,748
Imputed interest on non-current borrowings and amount due to non-controlling shareholder	非流動借款及應付非控股股東款項之推算利息	5,590	4,829
		20,049	10,577

7. 財務成本

	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
可換股債券之推算利息 (附註28)	9,268	–
於一年內到期之其他借款之推算利息	5,191	5,748
非流動借款及應付非控股股東款項之推算利息	5,590	4,829
	20,049	10,577

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8. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging/(crediting) the following:

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Cost of inventories recognised as expense	確認為開支之存貨成本	30,863	83,840
Depreciation (note 14)	折舊 (附註14)	43,220	47,638
Amortisation of prepaid land lease payments (note 15)	預付土地租賃款項攤銷 (附註15)	679	696
Amortisation of intangible assets (note 17)*	無形資產攤銷 (附註17) *	4,392	8,400
Fair value loss on financial assets at fair value through profit or loss*	按公平值計入損益之財務資產之公平值虧損*	126	-
Auditor's remuneration	核數師酬金	998	1,085
Impairment loss of goodwill (note 16)	商譽之減值虧損 (附註16)	-	62,662
Impairment loss of intangible assets (note 17)	無形資產之減值虧損 (附註17)	408,954	441,894
Impairment loss of prepaid land lease payments (note 15)	預付土地租賃款項之減值虧損 (附註15)	6,106	17,032
Impairment loss of property, plant and equipment (note 14)	物業、廠房及設備之減值虧損 (附註14)	82,461	360,592
Loss/(Gain) on disposals of property, plant and equipment	出售物業、廠房及設備之虧損/(收益)	494	(59)
Operating lease charges on land and buildings	土地及樓宇之經營租約費用	2,588	3,872
Employee costs, including directors' emoluments (note 12)	員工成本·包括董事酬金 (附註12)	30,593	30,943

* Included in "Other operating expenses" on the face of the consolidated income statement.

Depreciation expenses of HK\$38,761,000 (2014: HK\$42,953,000) and HK\$4,459,000 (2014: HK\$4,685,000) were included in cost of sales and administrative expenses respectively.

8. 除所得稅前虧損

除所得稅前虧損已扣除/(計入)以下各項:

	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Cost of inventories recognised as expense	30,863	83,840
Depreciation (note 14)	43,220	47,638
Amortisation of prepaid land lease payments (note 15)	679	696
Amortisation of intangible assets (note 17)*	4,392	8,400
Fair value loss on financial assets at fair value through profit or loss*	126	-
Auditor's remuneration	998	1,085
Impairment loss of goodwill (note 16)	-	62,662
Impairment loss of intangible assets (note 17)	408,954	441,894
Impairment loss of prepaid land lease payments (note 15)	6,106	17,032
Impairment loss of property, plant and equipment (note 14)	82,461	360,592
Loss/(Gain) on disposals of property, plant and equipment	494	(59)
Operating lease charges on land and buildings	2,588	3,872
Employee costs, including directors' emoluments (note 12)	30,593	30,943

* 已計入綜合損益表之「其他經營開支」。

折舊開支38,761,000港元(二零一四年: 42,953,000港元)及4,459,000港元(二零一四年: 4,685,000港元)分別計入銷售成本及行政開支。

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9. INCOME TAX CREDIT

No Hong Kong profits tax has been provided as the Group had no estimated assessable profits arising in or derived from Hong Kong for both years.

9. 所得稅計入

由於本集團於兩個年度均無在香港導致或產生任何估計應課稅溢利，故並無就香港利得稅作出撥備。

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Current tax – the PRC	當期稅項－中國		
– Current year	– 本年度	7	48
– Over-provision in prior years	– 過往年度超額撥備	(1,704)	(715)
Deferred tax – the PRC	遞延稅項－中國		
– Current year (note 29)	– 本年度(附註29)	(101,502)	(150,780)
Income tax credit	所得稅計入	(103,199)	(151,447)

Reconciliation between income tax credit and the accounting loss at applicable tax rates:

按適用稅率計算之所得稅計入與會計虧損之對賬如下：

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Loss before income tax	除所得稅前虧損	(635,175)	(911,221)
Tax at the applicable rates to loss in the tax jurisdictions concerned	對於所涉稅務司法權區之虧損按適用稅率計算之稅項	(151,526)	(226,821)
Tax effect of non-taxable income	非課稅收入之稅務影響	(6,418)	(807)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	46,436	72,463
Tax effect of unrecognised temporary differences	未確認暫時差額之稅務影響	(936)	(1,356)
Tax effect of unrecognised tax losses	未確認稅務虧損之稅務影響	10,949	5,789
Over-provision in prior years	過往年度超額撥備	(1,704)	(715)
Income tax credit	所得稅計入	(103,199)	(151,447)

Branches of China Era in Beijing and Jilin, the PRC are subject to PRC enterprise income tax at the tax rate of 25% (2014: 25%) for the year.

中國年代於中國北京及吉林之分公司本年度須按25% (二零一四年：25%)之稅率繳納中國企業所得稅。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

10. DIVIDENDS

The board of directors did not recommend any payment of dividends during the year (2014: Nil).

11. LOSS PER SHARE

The calculations of basic loss per share attributable to the owners of the Company are based on the following data:

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Loss for the year attributable to the owners of the Company for the purpose of basic loss per share	用以計算每股基本虧損之 本公司擁有人應佔本年度虧損	(492,568)	(673,621)
Number of shares	股份數目	'000 千股	'000 (Re-presented) 千股 (經重列)
Weighted average number of ordinary shares for the purpose of basic loss per share	用以計算每股基本虧損之 普通股加權平均數	3,198,407	2,985,854

The calculation of basic loss per share is based on the loss attributable to the owners of the Company and the weighted average number of ordinary shares. For the year ended 31 December 2014, the weighted average number of ordinary shares in issue was restated, after adjusting for the bonus elements in the shares issued under the placing (note 30(i)).

For the year ended 31 December 2015, no adjustment has been made to the basic loss per share amount presented in respect of a dilution as the impact of the convertible bond outstanding had an anti-dilutive effect on the basic loss per share amount presented.

For the year ended 31 December 2014, there were no potential dilutive ordinary shares in issue.

10. 股息

年內，董事會建議不派付任何股息（二零一四年：無）。

11. 每股虧損

本公司擁有人應佔每股基本虧損乃根據以下數據計算：

每股基本虧損乃根據本公司擁有人應佔虧損及普通股加權平均數計算。截至二零一四年十二月三十一日止年度，經就根據配售已發行之股份之紅利因素作出調整後，已發行普通股之加權平均數已獲重列（附註30(i)）。

截至二零一五年十二月三十一日止年度，由於未兌換之可換股債券對所呈列之每股基本虧損金額具有反攤薄影響，並無就攤薄呈列之每股基本虧損金額作出調整。

截至二零一四年十二月三十一日止年度，並無已發行任何潛在攤薄普通股。

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12. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Wages, salaries and allowances	工資、薪金及津貼	27,888	28,445
Pension costs – defined contribution retirement plans	退休金成本—定額供款退休計劃	2,705	2,498
		30,593	30,943

12. 僱員福利開支(包括董事酬金)

13. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS

(a) Directors' emoluments

		Fees HK\$'000 袍金 千港元	Salaries, allowances and benefits in kind HK\$'000 薪金、津貼及 實物福利 千港元	Contribution to retirement benefit scheme HK\$'000 退休福利 計劃供款 千港元	Total HK\$'000 總計 千港元
2015					
Executive directors					
Ms. Wang Meiyang	王美艷女士	–	780	–	780
Mr. Chan Wai Cheung	陳偉璋先生				
Admiral		–	725	18	743
Ms. Jin Yuping	金玉萍女士	–	120	–	120
Mr. Lan Yongqiang	藍永強先生	–	390	–	390
Independent non-executive directors					
Mr. Wang Jinghua	王靖華先生	36	–	–	36
Mr. Lee Hoi Yan	李凱恩先生	120	–	–	120
Mr. Fung Lam Shan	馮南山先生	71	–	–	71
Ms. Zhao Hanqi	趙瀚琦女士	59	–	–	59
		286	2,015	18	2,319

13. 董事及五位最高薪酬人士酬金

(a) 董事酬金

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13. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(a) Directors' emoluments (Continued)

		Notes	Fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Contribution to retirement benefit scheme HK\$'000	Total HK\$'000
		附註	袍金 千港元	薪金、津貼及 實物福利 千港元	退休福利 計劃供款 千港元	總計 千港元
2014	二零一四年					
Executive directors	執行董事					
Ms. Wang Meiyao	王美艷女士		-	856	-	856
Mr. Chan Wai Cheung Admiral	陳偉璋先生		581	-	-	581
Ms. Jin Yuping	金玉萍女士	(i)	-	10	-	10
Mr. Lan Yongqiang	藍永強先生	(ii)	-	22	-	22
Mr. Wang Donghai	王東海先生	(v)	-	-	-	-
Independent non-executive directors	獨立非執行董事					
Mr. Wang Jinghua	王靖華先生		36	-	-	36
Mr. Lee Hoi Yan	李凱恩先生		85	-	-	85
Mr. Lan Yongqiang	藍永強先生	(ii)	46	-	-	46
Mr. Choi Chi Fai	蔡志輝先生	(vi)	35	-	-	35
			783	888	-	1,671

Notes:

- (i) Appointed on 22 July 2014.
- (ii) Appointed on 22 July 2014 and re-designed as an executive director on 8 December 2014.
- (iii) Appointed on 28 May 2015.
- (iv) Appointed on 6 March 2015 and resigned on 11 September 2015.
- (v) Resigned on 2 December 2014.
- (vi) Resigned on 31 July 2014.

附註:

- (i) 於二零一四年七月二十二日獲委任。
- (ii) 於二零一四年七月二十二日獲委任，並於二零一四年十二月八日獲調任為執行董事。
- (iii) 於二零一五年五月二十八日獲委任。
- (iv) 於二零一五年三月六日獲委任，並於二零一五年九月十一日辭任。
- (v) 於二零一四年十二月二日辭任。
- (vi) 於二零一四年七月三十一日辭任。

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13. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(a) Directors' emoluments (Continued)

During the year, no emoluments were paid by the Group to the directors of the Company as an inducement to join or upon joining the Group, or as compensation for loss of office (2014: Nil).

There were no arrangements under which a director of the Company waived or agreed to waive any remuneration during the year (2014: Nil).

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group during the year included 3 (2014: 2) directors and their emoluments are included in the above analysis. Details of the emoluments of the remaining 2 (2014: 3) individuals during the year are as follows:

	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Basic salaries, housing benefits, other allowances and benefits in kind	1,560	1,490
Pension costs – defined contribution retirement benefit plans	36	34
	1,596	1,524

Number of the remaining highest paid individuals whose emoluments fell within the following band is as follows:

	2015 二零一五年	2014 二零一四年
Nil to HK\$1,000,000	2	3

During the year, no emoluments were paid by the Group to the above highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office (2014: Nil).

13. 董事及五位最高薪酬人士酬金 (續)

(a) 董事酬金 (續)

年內，本集團並無向本公司董事支付任何酬金，作為加入本集團或於加盟時之獎金或作為離職補償（二零一四年：無）。

年內，並無任何本公司董事放棄或同意放棄任何酬金之安排（二零一四年：無）。

(b) 五位最高薪酬人士

年內，本集團五位最高薪酬人士包括三位（二零一四年：兩位）董事，彼之酬金詳情參考上文分析。年內，餘下兩位（二零一四年：三位）人士之酬金詳情如下：

酬金介乎以下範圍之餘下最高薪酬人士數目如下：

年內，本集團並無向上述最高薪酬人士支付任何酬金，作為加入本集團或於加盟時之獎金或作為離職補償（二零一四年：無）。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Buildings HK\$'000	Oil properties HK\$'000	Plant and machinery HK\$'000	Leasehold improvements, furniture, office equipment and motor vehicles HK\$'000	CIP HK\$'000	Total HK\$'000
		樓宇 千港元	石油財產 千港元	廠房及機器 千港元	租賃物業裝修、 傢俬、辦公設備 及汽車 千港元	在建工程 千港元	總計 千港元
At 1 January 2014	於二零一四年一月一日						
Cost	成本	138,552	400,806	322,816	27,806	5,930	895,910
Accumulated depreciation and impairment	累計折舊及減值	(22,025)	(163,774)	(113,914)	(16,572)	(2,312)	(318,597)
Net book amount	賬面淨值	116,527	237,032	208,902	11,234	3,618	577,313
Year ended 31 December 2014	截至二零一四年 十二月三十一日止年度						
Opening net book amount	年初賬面淨值	116,527	237,032	208,902	11,234	3,618	577,313
Additions	添置	-	-	167	798	61,187	62,152
Transfer from CIP	轉撥自在建工程	-	56,262	-	-	(56,262)	-
Disposals	出售	-	-	-	(183)	-	(183)
Exchange differences	匯兌差額	(2,717)	(8,203)	(4,736)	(352)	(180)	(16,188)
Depreciation (note 8)	折舊(附註8)	(4,467)	(13,983)	(25,151)	(4,037)	-	(47,638)
Impairment loss (note 8)	減值虧損(附註8)	(65,819)	(179,320)	(107,860)	(2,194)	(5,399)	(360,592)
Closing net book amount	年終賬面淨值	43,524	91,788	71,322	5,266	2,964	214,864
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日 及二零一五年一月一日						
Cost	成本	135,279	447,150	315,356	32,491	10,676	940,952
Accumulated depreciation and impairment	累計折舊及減值	(91,755)	(355,362)	(244,034)	(27,225)	(7,712)	(726,088)
Net book amount	賬面淨值	43,524	91,788	71,322	5,266	2,964	214,864
Year ended 31 December 2015	截至二零一五年 十二月三十一日止年度						
Opening net book amount	年初賬面淨值	43,524	91,788	71,322	5,266	2,964	214,864
Acquisition of subsidiaries (Note 37)	收購附屬公司(附註37)	-	-	1,161	1,039	310,582	312,782
Additions	添置	-	-	-	59	-	59
Transfer from CIP	轉撥自在建工程	-	227	-	-	(227)	-
Disposals	出售	-	(290)	-	(204)	-	(494)
Exchange differences	匯兌差額	(5,147)	(4,094)	(7,865)	(110)	(371)	(17,587)
Depreciation (note 8)	折舊(附註8)	(4,360)	(10,519)	(24,556)	(3,785)	-	(43,220)
Impairment loss (note 8)	減值虧損(附註8)	(22,485)	(32,617)	(25,713)	(494)	(1,152)	(82,461)
Closing net book amount	年終賬面淨值	11,532	44,495	14,349	1,771	311,796	383,943
At 31 December 2015	於二零一五年十二月三十一日						
Cost	成本	128,733	425,733	301,258	27,420	320,386	1,203,530
Accumulated depreciation and impairment	累計折舊及減值	(117,201)	(381,238)	(286,909)	(25,649)	(8,590)	(819,587)
Net book amount	賬面淨值	11,532	*44,495	14,349	*1,771	*311,796	383,943

* Balance of HK\$46,167,000 included in these amounts represents property, plant and equipment relates to the Songliao Contract entered into with the State-owned Enterprise.

* 計入該等金額的結餘46,167,000港元為與國有企業所訂立松遼合約相關的物業、廠房及設備。

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14. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Buildings are located on the prepaid land lease payments in the PRC (note 15).

During the year, provision for impairment loss of oil properties, furniture, office equipment and motor vehicles and CIP relating to the oil production of HK\$32,617,000 (2014: HK\$179,320,000), HK\$494,000 (2014: HK\$1,587,000) and HK\$732,000 (2014: HK\$4,229,000), respectively, were recognised in profit or loss to write down to their recoverable amounts due to the decrease in the projected crude oil prices and amendments to the drilling and extraction schedules, totalling HK\$33,843,000 (2014: HK\$185,136,000)(note 17(ii)).

For the year, provision for impairment loss of buildings, plant and machinery, furniture, office equipment and motor vehicles and CIP relating to the supply of electricity and heat business (the "Electricity and Heat CGU") of HK\$22,485,000, HK\$25,713,000, nil and HK\$420,000 respectively (2014: HK\$65,819,000, HK\$107,860,000, HK\$607,000 and HK\$1,170,000, respectively), were recognised in profit or loss to write down to their recoverable amounts. The recoverable amount for the Electricity and Heat CGU was determined, based on fair value less costs to sell. This is a non-recurring fair value which has been determined by income approach, and is therefore within level 3 of the fair value hierarchy. The key assumption used to determine the fair value less costs to sell is that the management expected the sales of the Sunlight Group would be completed in 2016.

14. 物業、廠房及設備 (續)

樓宇位於中國之預付土地租賃款項(附註15)。

年內，有關產油的石油財產、傢俬、辦公設備及汽車，以及在建工程的減值虧損撥備分別為32,617,000港元(二零一四年：179,320,000港元)、494,000港元(二零一四年：1,587,000港元)及732,000港元(二零一四年：4,229,000港元)，乃於損益確認以撇減至因預期原油價格下跌及修訂鑽探及開採時間表產生的可收回金額合共33,843,000港元(二零一四年：185,136,000港元)(附註17(ii))。

年內，有關熱電供應業務(「熱電現金產生單位」)的樓宇、廠房及機械、傢俬、辦公設備及汽車及在建工程分別撥備減值虧損22,485,000港元、25,713,000港元、無及420,000港元(二零一四年：65,819,000港元、107,860,000港元、607,000港元及1,170,000港元)，已於損益賬確認以撇減至其可收回金額。熱電現金產生單位之可收回金額乃基於公平值減出售成本釐定。此為非經常性公平值，乃透過收入法釐定，因此屬於公平值等級之第三級。釐定公平值減出售成本所採用的主要假設為管理層預期將於二零一六年完成出售昇暉集團。

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15. PREPAID LAND LEASE PAYMENTS

These represented the Group's interests in leasehold land and land use rights in the PRC, held without a specific term. Changes to the carrying amounts presented in the consolidated statement of financial position are summarised as follows:

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Opening net carrying amount	年初賬面淨值	11,263	29,687
Exchange differences	匯兌差額	(1,346)	(696)
Amortisation (note 8)	攤銷 (附註8)	(679)	(696)
Impairment loss (note 8)	減值虧損 (附註8)	(6,106)	(17,032)
Closing net carrying amount	年終賬面淨值	3,132	11,263

For the year, impairment loss relating to the Electricity and Heat CGU of HK\$6,106,000 (2014: HK\$17,032,000) was recognised in profit or loss to write down to their recoverable amounts.

16. GOODWILL

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
At 1 January	於一月一日		
Gross carrying amount	賬面總值	323,366	323,366
Accumulated impairment	累計減值	(323,366)	(260,704)
Net carrying amount	賬面淨值	-	62,662
Year ended 31 December	截至十二月三十一日止年度		
Opening net carrying amount	年初賬面淨值	-	62,662
Impairment losses (note 8)	減值虧損 (附註8)	-	(62,662)
Closing net carrying amount	年終賬面淨值	-	-
At 31 December	於十二月三十一日		
Gross carrying amount	賬面總值	323,366	323,366
Accumulated impairment	累計減值	(323,366)	(323,366)
Net carrying amount	賬面淨值	-	-

15. 預付土地租賃款項

該等款項代表本集團於中國持有之無指定租期之租賃土地及土地使用權之權益。於綜合財務狀況表呈列之賬面值變動概述如下：

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Opening net carrying amount	年初賬面淨值	11,263	29,687
Exchange differences	匯兌差額	(1,346)	(696)
Amortisation (note 8)	攤銷 (附註8)	(679)	(696)
Impairment loss (note 8)	減值虧損 (附註8)	(6,106)	(17,032)
Closing net carrying amount	年終賬面淨值	3,132	11,263

年內，有關熱電現金產生單位之減值虧損6,106,000港元（二零一四年：17,032,000港元）已於損益賬確認以撇減至其可收回金額。

16. 商譽

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
At 1 January	於一月一日		
Gross carrying amount	賬面總值	323,366	323,366
Accumulated impairment	累計減值	(323,366)	(260,704)
Net carrying amount	賬面淨值	-	62,662
Year ended 31 December	截至十二月三十一日止年度		
Opening net carrying amount	年初賬面淨值	-	62,662
Impairment losses (note 8)	減值虧損 (附註8)	-	(62,662)
Closing net carrying amount	年終賬面淨值	-	-
At 31 December	於十二月三十一日		
Gross carrying amount	賬面總值	323,366	323,366
Accumulated impairment	累計減值	(323,366)	(323,366)
Net carrying amount	賬面淨值	-	-

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16. GOODWILL (Continued)

Goodwill as at 31 December 2014 arose from the acquisition of the Sunlight Group in 2010 and was allocated to the Electricity and Heat CGU based on value-in-use calculations, performed by an independent firm of professional valuers, APAC Asset Valuation and Consulting Limited ("APAC"), covering a detailed 5-year budget plan followed by an extrapolation of expected cash flows at the growth rate stated below. The growth rate reflected the long-term average growth rate for the country in which the entity of the CGU operates. Key assumptions used for value-in-use calculations were as follows:

Discount rate	折現率
Growth rate	增長率

Key assumptions included profit margins, which had been determined based on past performance, and management's expectations for market share, after taking into consideration published market forecast and research. The discount rate used was pre-tax and reflected specific risks relating to the Electricity and Heat CGU.

In 2014, total impairment loss of HK\$255,150,000 was being identified for the Electricity and Heat CGU and that in respect of goodwill of HK\$62,662,000 was recognised in profit or loss. The remaining impairment loss was charged pro rata to the assets related to the Electricity and Heat CGU. For the year ended 31 December 2014, impairment losses in respect of property, plant and equipment and prepaid land lease payments of HK\$175,456,000 (note 14) and HK\$17,032,000 (note 15) respectively, were recognised in profit or loss to write down to its recoverable amounts in light of the decrease in expected selling price of electricity and heat and persistent low profitability for the Electricity and Heat CGU.

16. 商譽 (續)

於二零一四年十二月三十一日之商譽產生自二零一零年收購昇暉集團，並分配至熱電現金產生單位，由獨立專業估值師行亞太資產評估及顧問有限公司（「亞太資產評估」）按照使用價值計算，包括詳細之五年預算計劃，隨後按下文所述增長率推算預期現金流量。增長率反映現金產生單位實體經營所在國家之長期平均增長率。用於計算使用價值之主要假設如下：

2014
二零一四年

Discount rate	折現率	15%
Growth rate	增長率	3%

主要假設包括利潤率，而利潤率乃根據過往表現及管理層經計及已公佈市場預測及研究後對市場份額作出之預期釐定。所使用折現率乃除稅前，及反映與熱電現金產生單位有關之特定風險。

二零一四年，已就熱電現金產生單位識別合共255,150,000港元之減值虧損，並就商譽之減值虧損62,662,000港元於損益賬確認。餘下之減值虧損按比例計入關於熱電現金產生單位之資產。截至二零一四年十二月三十一日止年度，鑑於預期熱電售價降低及熱電現金產生單位盈利能力持續低迷，故有關物業、廠房及設備及預付土地租賃款項之減值虧損分別175,456,000港元（附註14）及17,032,000港元（附註15）已於損益賬確認以撇減至其可收回金額。

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17. INTANGIBLE ASSETS

17. 無形資產

		Exploration and evaluation assets HK\$'000 (note (i)) 勘探及 評估資產 千港元 (附註(i))	Interests in oil production sharing contract HK\$'000 (note (ii)) 產油業務共享 合約之權益 千港元 (附註(ii))	Sea area use rights HK\$'000 (note (iii)) 海域使用權 千港元 (附註(iii))	Total HK\$'000 總計 千港元
At 1 January 2014	於二零一四年一月一日	3,748	1,417,897	-	1,421,645
Amortisation for the year (note 8)	本年度攤銷 (附註8)	(35)	(8,365)	-	(8,400)
Impairment loss (note 8)	減值虧損 (附註8)	(2,363)	(439,531)	-	(441,894)
Exchange difference	匯兌差額	(127)	-	-	(127)
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及 二零一五年一月一日	1,223	970,001	-	971,224
Acquisition of subsidiaries (note 37)	收購附屬公司 (附註37)	-	-	116,602	116,602
Amortisation for the year (note 8)	本年度攤銷 (附註8)	(27)	(4,365)	-	(4,392)
Impairment loss (note 8)	減值虧損 (附註8)	(506)	(408,448)	-	(408,954)
Exchange difference	匯兌差額	(57)	-	-	(57)
At 31 December 2015	於二零一五年十二月三十一日	633	557,188	116,602	674,423
Current portion (included in prepayments, deposits and other receivables (note 20))	即期部分 (計入預付款項、按金 及其他應收款項 (附註20))	-	-	(2,380)	(2,380)
Non-current portion	非即期部分	633*	557,188*	114,222	672,043

* These amounts represent intangible assets of HK\$557,821,000 relate to the Songliao Contract entered into with the State-owned Enterprise.

* 該等金額為與國有企業所訂立松遼合約相關的無形資產557,821,000港元。

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財務報表附註

For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

17. INTANGIBLE ASSETS (Continued)

Notes:

(i) Exploration and evaluation assets

These are mainly classified from exploration and evaluation assets arising from the Oil Production segment when the technical feasibility and commercial viability of extracting the oil resource had been determined and that the commercial production commences are recognised initially at cost. The valuation does not take into consideration of the legal case as described in note 3(a)(i). Should Mr. A be found guilty, the balance may be required to be fully impaired.

(ii) Interests in oil production sharing contract

These were recognised at fair value on business combination and are charged to profit or loss on unit of production method. Details of the oil production sharing contract are set out in note 33.

For the purpose of impairment testing as at 31 December 2015, the recoverable amount of property, plant and equipment, exploration and evaluation assets and interests in oil production sharing contract relating to the oil production operations in the Songliao Basin, Jilin, the PRC was determined based on value-in-use calculations, which is derived by using discount cash flow analysis. The discount cash flow analysis uses cash flow projection for a period of 16 years up to 2031 (2014: 17 years up to 2031) with a growth rate of 3% (2014: 3%) for direct cost and cash expenses. The growth rate reflects the long-term average growth rate for the country in which the entity of the Oil Production CGU operates. The pre-tax discount rate used to determine value-in-use in 2015 is 19% (2014: 19%).

In order to determine the recoverable amount of the Oil Production CGU, management made reference to the valuation report, issued by APAC, on the Group's oil production sharing contract together with other variables and assumptions related to the operations. Key assumptions used for discounted cash flow calculations are as follows:

		2015 二零一五年	2014 二零一四年
Pre-tax discount rate	除稅前折現率	19%	19%
Growth rate	增長率	3%	3%

17. 無形資產 (續)

附註：

(i) 勘探及評估資產

該等資產於釐定開採石油資源之技術及商業可行性及開始商業生產時，主要從來自產油分類之勘探及評估資產進行分類，初步按成本確認。估值並未考慮附註3(a)(i)所述之法律案件。若A先生被判處有罪，結餘或須全部減值。

(ii) 產油業務共享合約之權益

該等權益按業務合併之公平值確認，並以生產單位法自損益表扣除。產油業務共享合約之詳情載於附註33。

就於二零一五年十二月三十一日之減值測試而言，有關中國吉林松遼盆地的產油業務之物業、廠房及設備、勘探及評估資產及產油業務共享合約之權益之可收回金額按照使用價值計算使用折現現金流量分析推算。折現現金流量分析使用截至二零三一年止十六年期間（二零一四年：截至二零三一年止十七年期間）之現金流量預測，直接成本及現金開支之增長率為3%（二零一四年：3%）。增長率反映產油現金產生單位實體經營所在國家之長期平均增長率。於二零一五年用以釐定使用價值之除稅前折現率為19%（二零一四年：19%）。

為釐定產油現金產生單位之可收回金額，管理層參考亞太資產評估就本集團產油業務共享合約發出之估值報告連同其他有關業務的變數及假設而釐定。折現現金流量計算的主要假設如下：

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17. INTANGIBLE ASSETS (Continued)

Notes: (Continued)

(ii) Interests in oil production sharing contract (Continued)

Key assumptions also include budgeted gross margin based on past performance, estimated crude oil reserve of technical report and management expectations of market development. The discount rate used is pre-tax and reflects specific risks relating to these intangible assets.

During the year, total impairment loss of HK\$442,797,000 (2014: HK\$627,030,000) has been identified for the Oil Production CGU and is charged pro rata to the assets related to the Oil Production CGU. Impairment losses in respect of property, plant and equipment, exploration and evaluation assets and interests in oil production sharing contract of HK\$33,843,000 (2014: HK\$185,136,000) (note 14), HK\$506,000 (2014: HK\$2,363,000) and HK\$408,448,000 (2014: HK\$439,531,000) respectively, were recognised as expenses in profit or loss as the assets' carrying amounts exceed their recoverable amounts.

As results of decrease in the projected crude oil prices and amendments to the drilling and extraction schedules, the carrying amount of the Oil Production CGU has been reduced to its recoverable amount of HK\$603,988,000 (after impairment) as at 31 December 2015, any adverse change in the key assumptions used to calculate the recoverable amount would result in further impairment losses. The valuation does not take into consideration of the legal case as described in note 3(a)(i). Should Mr. A be found guilty, the balance may be required to be fully impaired.

17. 無形資產 (續)

附註：(續)

(ii) 產油業務共享合約之權益 (續)

主要假設亦包括根據過往表現而釐定之預算毛利率、技術報告之估計原油儲蓄及管理層預期之市場發展。所使用折現率乃除稅前，及反映與該等無形資產有關之特定風險。

年內，已就產油現金產生單位識別減值虧損總額約為442,797,000港元（二零一四年：627,030,000港元），並按比例計入關於產油現金產生單位之資產。有關物業、廠房及設備、勘探及評估資產及產油業務共享合約之權益的減值虧損撥備分別為33,843,000港元（二零一四年：185,136,000港元）（附註14）、506,000港元（二零一四年：2,363,000港元）及408,448,000港元（二零一四年：439,531,000港元），由於資產賬面值超越其可收回金額而於損益確認為開支。

由於預期原油價格下跌及修訂鑽探及開採時間表，於二零一五年十二月三十一日，產油現金產生單位之賬面值已撇減至其可收回金額603,988,000港元（扣除減值後），故用以計算可收回金額之主要假設倘出現任何不利變動，均會導致進一步出現減值虧損。估值並未考慮附註3(a)(i)所述之法律案件。若A先生被判處有罪，結餘或須全部減值。

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17. INTANGIBLE ASSETS (Continued)

Notes: (Continued)

(iii) Sea area use rights

Sea area use rights as at 31 December 2015 was acquired through acquisition of Shandong Shundong as detailed in the Company's announcement dated 18 December 2015 and represent prepaid operating lease payments for maritime space in Shandong, the PRC. The fair value of sea area use rights as at the date of acquisition were valued by a firm of independent valuation firm, APAC. The valuation was based on the income-based approach and the excess earnings method is adopted.

Key assumptions and parameters of the valuation as at the date of acquisition are as follows:

Expected commencement of production	2017
Annual production capacity	3.6 million tons
Capital expenditures	RMB751 million
Discount rate	14%

Sea area use rights are assessed for impairment when facts and circumstances suggest that the carrying amount of sea area use rights is less than its recoverable amount.

The Group entered into various memorandum of understanding and a written intention letter for funding in the oil and liquefied chemical terminal business.

17. 無形資產 (續)

附註：(續)

(iii) 海域使用權

如本公司日期為二零一五年十二月十八日之公佈所詳述，於二零一五年十二月三十一日之海域使用權乃透過收購山東順東取得，為就中國山東之海域預付之經營租賃付款。於收購日期之海域使用權之公平值由獨立估值公司亞太資產評估估值。估值乃基於收入法並採用超額盈利法進行。

估值於收購日期之主要假設及參數如下：

預期投產	二零一七年
年產量	3.6百萬噸
資本開支	人民幣751百萬元
貼現率	14%

當事實及情況表明海域使用權之賬面值少於其可收回金額，海域使用權會作出減值評估。

本集團就油品及液體化工品碼頭業務融資訂立多項諒解備忘錄及一份書面意向書。

18. INVENTORIES

Inventories as at 31 December 2015 and 2014 were raw materials.

19. TRADE AND BILLS RECEIVABLES

18. 存貨

於二零一五年及二零一四年十二月三十一日之存貨為原材料。

19. 應收貿易賬項及票據

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Trade receivables	應收貿易賬項	30,545	33,142
Bills receivables	應收票據	3,540	3,422
		34,085	36,564

The Group normally allows trading credit terms ranging from 30 to 120 days (2014: 30 to 120 days) to its established customers. Each customer has a maximum credit limit. For certain customers with long established relationship and good past repayment history, a longer credit period may be granted. Trade and bills receivables are non-interest bearing.

本集團一般給予已建立關係之客戶30至120日之貿易信貸期(二零一四年：30日至120日)。每個客戶設有信貸上限。就若干已建立長期關係且具有良好還款記錄的客戶而言，可能授出較長的信貸期。應收貿易賬項及票據並不計息。

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19. TRADE AND BILLS RECEIVABLES (Continued)

Ageing analysis of trade and bills receivables, based on the invoice date, is as follows:

1 – 90 days	1至90日
91 – 120 days	91至120日
121 – 365 days	121至365日
Over 365 days	365日以上

At 31 December 2015 and 2014, there were no trade and bills receivables that were individually determined to be impaired. The Group did not hold any collateral over these balances.

Ageing analysis of trade and bills receivables that are past due but not impaired are as follows:

1 – 60 days past due but not impaired	逾期1至60日但並未減值
Over 60 days past due but not impaired	逾期60日以上但並未減值

As at 31 December 2015, trade and bills receivables of HK\$13,600,000 (2014: HK\$36,502,000) were neither past due nor impaired. These related to the different customers for whom there was no recent history of default.

Trade and bills receivables that were past due but not impaired related to several customers that had a good track record of credit with the Group. Based on past credit history, management believed that no impairment allowance was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered to be fully recoverable. The Group did not hold any collateral in respect of these balances.

19. 應收貿易賬項及票據 (續)

應收貿易賬項及票據根據發票日期之賬齡分析如下:

2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
13,600	36,477
–	25
12,463	36
8,022	26
34,085	36,564

於二零一五年及二零一四年十二月三十一日，並無應收貿易賬項及票據個別釐定減值。本集團並無就該等結餘持有任何抵押品。

已逾期但未減值之應收貿易賬項及票據之賬齡分析如下:

2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
–	36
20,485	26
20,485	62

於二零一五年十二月三十一日，13,600,000港元之應收貿易賬項及票據(二零一四年: 36,502,000港元)並無逾期及減值。該等賬項乃與近期無違約記錄之不同客戶有關。

已逾期惟尚未減值之應收貿易賬項及票據與多名客戶有關，該等客戶於本集團之過往信貸記錄良好。根據過往信貸記錄，由於信貸質素並無重大變動且該等結餘仍被視作可悉數收回，因此管理層相信，毋須為該等結餘計提減值撥備。本集團並無就該等結餘持有任何抵押品。

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20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Prepayments	預付款項
Deposits (note i)	按金(附註i)
Other receivables (note ii)	其他應收款項(附註ii)
Current portion of amortisation of sea area use rights (note 17)	海域使用權攤銷之即期部分(附註17)

20. 預付款項、按金及其他應收款項

2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
60,670	1,711
30,314	326
4,295	3,935
2,380	—
97,659	5,972

Notes:

- (i) Included in the amount was a refundable deposit of HK\$30,000,000 paid for the proposed acquisition. On 16 September 2015, the Company entered into a non-legally binding memorandum of understanding with the vendor (a third party) pursuant to which the vendor intends to sell and the Company intends to acquire the entire issued share capital and all shareholders' loans of Reap More Limited ("Reap More"), a company incorporated in Samoa with limited liability. The consideration for the proposed acquisition is still subject to further negotiation and has yet to be determined. According to the information provided by the vendor, Reap More (itself or through entities controlled or agreed to be acquired by it) entered into enforceable contract(s) to acquire and co-invest for 90% equity interest with the following companies to engage the clean energy projects:

- (a) Ningxia Dalishi Power Generation Company Limited
- (b) Ningxia Shenpeng New Energy Power Generation Company Limited

附註:

- (i) 該金額包括就建議收購事項支付之可退回按金30,000,000港元。於二零一五年九月十六日，本公司與賣方(一名第三方)訂立不具法律約束力之諒解備忘錄，據此賣方計劃出售而本公司計劃收購多豐有限公司(「多豐」)之全部已發行股本及所有股東貸款，該公司為於薩摩亞註冊成立之有限公司。建議收購事項之代價仍有待進一步磋商及尚未釐定。根據賣方提供之資料，多豐(本身或透過其控制或同意收購之實體)與下列公司訂立可強制執行之合同以收購及共同投資於若干潔淨能源項目之90%股本權益：

- (a) 寧夏達力斯發電有限公司
- (b) 寧夏神鵬新能源發電有限公司

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- (i) (Continued)
- (c) Ningxia Dalishi Taiyangshan Power Generation Company Limited
 - (d) Ningxia Dalishi Solar Power Generation Company Limited
 - (e) Shangri-La Geji River Hydro Power Development Company Limited
 - (f) Lushui County Jinman River Hydro Power Development Company Limited

On 2 November 2015, the Company entered into a supplemental memorandum of understanding with the vendor, Reap More and the vendor's guarantors and the payment of a refundable deposit in the amount of HK\$30,000,000 by the Company to the vendor. On 24 March 2016, the Company and the vendor entered into a second supplemental memorandum of understanding to carry out the due diligence review by the Company on Reap More and negotiation of the finalisation of formal sale and purchase agreement will continue for a further period of six months (i.e. on or before 15 September 2016); and the refundable deposit in the amount of HK\$30,000,000 has been refunded in full before the date of the authorisation of the consolidated financial statements. Details of the proposed acquisition are set out in the Company's announcements dated 17 September 2015, 2 November 2015 and 24 March 2016.

- (ii) Included an amount of HK\$2,360,000 related to Mr. A and receivable from a company which is independent to the Group. This amount has been settled before the date of authorisation for issue of the consolidated financial statements.

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

These represented investments in the listed equity securities held for trading purposes. The balances at the reporting dates are stated at fair values which have been determined by reference to their market prices at the reporting dates.

20. 預付款項、按金及其他應收款項 (續)

附註：(續)

- (i) (續)
- (c) 寧夏達力斯太陽山發電有限公司
 - (d) 寧夏達力斯太陽能發電有限公司
 - (e) 香格里拉格基河水電開發有限公司
 - (f) 瀘水縣金滿河水電開發有限責任公司

於二零一五年十一月二日，本公司與賣方、多豐及賣方擔保人訂立補充諒解備忘錄，由本公司向賣方支付為數30,000,000港元之可退回按金。於二零一六年三月二十四日，本公司與賣方訂立第二份補充諒解備忘錄，以便本公司對多豐進行盡職調查及正式買賣協議之磋商將進一步持續六個月期間（即二零一六年九月十五日或之前）；為數30,000,000港元之可退回按金於授權刊發綜合財務報表日期前已全數退回。建議收購事項之詳情載於本公司日期為二零一五年九月十七日、二零一五年十一月二日及二零一六年三月二十四日之公佈。

- (ii) 包括與A先生有關之2,360,000港元款項，並應收一間獨立於本集團之公司。該款項於授權刊發綜合財務報表日期前已結清。

21. 以公平值計入損益之財務資產

該等資產即為於已上市股權證券之投資，持作交易用途。其於報告日期之餘額按公平值呈報，公平值參照其於報告日期之市價釐定。

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22. PLEDGED BANK DEPOSITS AND CASH AT BANKS AND IN HAND

Pledged bank deposits as at 31 December 2015 and 2014 earned interest of 0.35% to 0.50% per annum. Cash at banks earns interest at the floating rates based on the daily bank deposits rates.

As at 31 December 2015, included in the pledged bank deposits and cash at banks and in hand of the Group were approximately HK\$22,000 and HK\$140,969,000 respectively (2014: HK\$1,003,000 and HK\$71,273,000 respectively) of bank balances denominated in RMB placed with the banks in the PRC.

RMB is not freely convertible into foreign currencies. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through the banks that are authorised to conduct the foreign exchange business.

Subsequent to the reporting date, certain bank accounts have been frozen by the court in Taiyuan City and the frozen amount of bank balances was approximately RMB500,000 (equivalent to approximately HK\$590,000), details of which are set out in note 44(c).

23. TRADE PAYABLES

Trade payables were non-interest bearing and are normally settled on 60 days (2014: 60 days) terms.

Ageing analysis of trade payables, based on the invoice date, is as follows:

1 – 90 days	1至90日
91 – 120 days	91至120日
121 – 365 days	121至365日
Over 365 days	365日以上

22. 已抵押銀行存款以及銀行結存及手頭現金

於二零一五年及二零一四年十二月三十一日之已抵押銀行存款按年利率0.35%至0.50%計息。銀行結存根據每日銀行存款利率按浮動利率計息。

於二零一五年十二月三十一日，本集團已抵押銀行存款以及銀行結存及手頭現金包括存放於中國多家銀行以人民幣計值之銀行結存分別約22,000港元及140,969,000港元（二零一四年：分別為1,003,000港元及71,273,000港元）。

人民幣不能自由兌換為外幣。根據中國的《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權進行外匯業務之銀行將人民幣兌換為外幣。

於報告日後，若干銀行賬戶已被太原市法院凍結，銀行結餘之凍結金額為約人民幣500,000元（相等於約590,000港元），詳情載於附註44(c)。

23. 應付貿易賬項

應付貿易賬項為免息及通常於60日（二零一四年：60日）內結算。

應付貿易賬項根據發票日期之賬齡分析如下：

	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
1 – 90 days	3,164	9,702
91 – 120 days	–	670
121 – 365 days	5,218	7,373
Over 365 days	2,790	162
	11,172	17,907

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24. OTHER PAYABLES AND ACCRUALS

Construction cost payables	應付建築成本
Deferred government grants	遞延政府補助
Other payables	其他應付款項
Amount due to a shareholder	應付一名股東款項
Accruals	應計款項

Amount due to a shareholder is unsecured, interest-free and repayable on demand.

25. AMOUNTS DUE TO NON-CONTROLLING SHAREHOLDERS

As at 31 December 2015, amounts due to non-controlling shareholders are unsecured, interest-free and repayable on demand.

The balance as at 31 December 2014 with a principal of HK\$17,138,000 was unsecured, interest-free and due on 1 July 2016.

As at 31 December 2014, the carrying value of interest-free loan of HK\$13,887,000 was determined based on the present value of the estimated future cash outflows discounted using effective interest rate of 14.82% per annum. As a result of a change in the terms of the loan on 31 December 2014, a gain on extinguishment of HK\$3,251,000 was recognised in 2014. Amounts of HK\$1,951,000 and HK\$1,300,000 had been credited to capital reserve and non-controlling interests in equity respectively (note 31) in 2014.

26. BANK BORROWINGS

Bank borrowings as at 31 December 2015 and 2014 were all repayable within one year. These bank borrowings was denominated in RMB, charged at a fixed interest rate of 12.35% per annum and guaranteed by an independent third party.

24. 其他應付款項及應計款項

2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
315,200	112,185
708	1,116
30,459	6,997
1,300	1,200
36,162	22,908
383,829	144,406

應付一名股東款項為無抵押、免息及應要求償還。

25. 應付非控股股東款項

於二零一五年十二月三十一日，應付非控股股東款項為無抵押、免息及應要求償還。

於二零一四年十二月三十一日之本金額為17,138,000港元之結餘為無抵押、免息及於二零一六年七月一日到期。

於二零一四年十二月三十一日，13,887,000港元免息貸款之賬面值按估計未來現金流出之現值（使用實際年利率14.82%折現）釐定。由於該筆貸款之條款於二零一四年十二月三十一日更改，於二零一四年確認3,251,000港元之撇銷收益。於二零一四年，1,951,000港元及1,300,000港元之款額已分別撥入權益內之資本儲備及非控股權益（附註31）。

26. 銀行借款

於二零一五年及二零一四年十二月三十一日之銀行借款均須於一年內償還。該等銀行借款以人民幣計值，按固定年利率12.35%計息，並由一名獨立第三方作擔保。

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27. OTHER BORROWINGS

27. 其他借款

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Current:	流動：		
Obtained from the independent third parties:	取自獨立第三方：		
Loan B, unsecured (note (i))	貸款B·無抵押(附註(i))	5,682	–
Loan C, unsecured (note (i))	貸款C·無抵押(附註(i))	1,107	–
Loan D, unsecured (note (i))	貸款D·無抵押(附註(i))	15,734	–
Loan E, unsecured (note (i))	貸款E·無抵押(附註(i))	1,670	–
Loan F, unsecured (note (i))	貸款F·無抵押(附註(i))	1,584	–
Loan G, unsecured (note (i))	貸款G·無抵押(附註(i))	4,195	–
		29,972	–
Non-current:	非流動：		
Obtained from the independent third parties:	取自獨立第三方：		
Loan B, unsecured (note (i))	貸款B·無抵押(附註(i))	–	6,232
Loan C, unsecured (note (i))	貸款C·無抵押(附註(i))	–	1,156
Loan D, unsecured (note (i))	貸款D·無抵押(附註(i))	–	15,794
Loan E, unsecured (note (i))	貸款E·無抵押(附註(i))	–	1,613
Loan F, unsecured (note (i))	貸款F·無抵押(附註(i))	–	1,608
Loan G, unsecured (note (i))	貸款G·無抵押(附註(i))	–	3,927
Loan H, unsecured (note (ii))	貸款H·無抵押(附註(ii))	9,675	8,868
Loan I, unsecured (note (ii))	貸款I·無抵押(附註(ii))	2,858	2,773
		12,533	41,971

(i) These loans were interest-free and were originally agreed to be repaid in July 2016.

(ii) As at 31 December 2015, these loans are interest-free and repayable in July 2017 (2014: July 2016).

(i) 該等貸款為免息且初步同意於二零一六年七月償還。

(ii) 於二零一五年十二月三十一日，該等貸款為免息，並須於二零一七年七月償還（二零一四年：二零一六年七月）。

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27. OTHER BORROWINGS (Continued)

In 2014, the Group had negotiated with the lenders of loans C, E, F, G, H and I to modify the existing terms of the borrowings. As there were modifications in the terms of the borrowings, these had been accounted for as extinguishment of non-current borrowings. Accordingly, a gain on extinguishment of HK\$2,867,000 (note 5), representing the change in the present value using the new terms, was recognised in profit or loss in 2014.

During the year ended 31 December 2015, the effective interest rates of the loans were 8.58% (2014: 8.58%) per annum.

As at 31 December 2015, the Group has renegotiated with certain lenders on the terms of the loans H and I (2014: loans B and D). The directors consider that such revisions do not represent a substantial modification of the original loan and accordingly, the effective interest rates have been adjusted at the date of modification.

28. CONVERTIBLE BONDS

CB2 and CB4

According to the sale and purchase agreements dated 5 November 2007 and 8 April 2008, zero-coupon convertible bonds with face value of HK\$400,000,000 ("CB2") and HK\$380,780,000 ("CB4") will be issued on the fifth business day following the date of receipt of mining licence in respect of the underlying mine. CB2 and CB4 are convertible into shares of the Company at the conversion price of HK\$0.60 and HK\$0.25 per share respectively. As the mining licence has not yet been obtained, CB2 and CB4 are not issued and are not recognised in the financial statements. As mentioned in notes 3(a)(iii) and (iv), as the exploration licence was transferred without the Company's knowledge, consent or approval, the Company is now seeking for legal opinion on this matter.

27. 其他借款 (續)

於二零一四年，本集團已與貸款C、E、F、G、H及I的貸款人磋商，以修訂借款之現有條款。由於借款之條款出現修訂，故其已作為抵銷非流動借款入賬。因此，抵銷收益為2,867,000港元（附註5），相當於使用新條款之借款現值變更，已於二零一四年之損益內確認。

截至二零一五年十二月三十一日止年度，該等貸款的實際年利率為8.58%（二零一四年：8.58%）。

於二零一五年十二月三十一日，本集團與若干貸款人就貸款H及I（二零一四年：貸款B及D）之條款進行重新磋商。董事認為，該等修訂並不代表大幅修改原有貸款，因此實際利率已於修改當日作出調整。

28. 可換股債券

可換股債券第二批債券及可換股債券第四批債券

根據日期為二零零七年十一月五日及二零零八年四月八日之買賣協議，面值分別為400,000,000港元（「可換股債券第二批債券」）及380,780,000港元（「可換股債券第四批債券」）之零票息可換股債券將於取得有關礦區之開採牌照當日後之第五個營業日發行。可換股債券第二批債券及可換股債券第四批債券分別可按兌換價每股0.60港元及0.25港元兌換為本公司股份。由於尚未取得開採牌照，可換股債券第二批債券及可換股債券第四批債券尚未發行，且並無於財務報表內確認。如附註3(a)(iii)及(iv)所提述，勘探牌照在本公司不知情及未經本公司同意或批准之情況下被轉讓，本公司現正就此尋求法律意見。

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28. CONVERTIBLE BONDS (Continued)

CB6 and CB7

In December 2010, the Company issued zero coupon convertible bonds ("CB6") in the principal amount of HK\$526,880,000 as a part of the consideration for the acquisition of China International Energy. CB6 bore no interest and matured on 31 December 2015 and were convertible into shares of the Company at the conversion price of HK\$0.08 per share (subject to the standard adjustment clauses relating to share sub-division, share consolidation, capitalisation issues and rights issues) at any time after the issue date and has been adjusted to HK\$0.80 as pursuant to the Share Consolidation. Any CB6 which remains outstanding on 31 December 2015 shall be converted automatically into the shares of the Company. Details of CB6 are set out in the Company's circular dated 11 October 2010.

As a part of the consideration for the acquisition of China International Energy, a zero coupon convertible bonds ("CB7") in the principal amount of HK\$526,880,000 shall be issued upon the final and absolute dismissal, striking-out, withdrawal, discharge, release, settlement or discontinuance of a litigation which existed at the date of acquisition of China International Energy. Since the litigation was discontinued, CB7 will be issued when written request for the issuance was obtained by the Company. CB7 bore no interest and matured on 31 December 2015 and were convertible into shares of the Company at the conversion price of HK\$0.08 per share (subject to the standard adjustment clauses relating to share sub-division, share consolidation, capitalisation issues and rights issues) at any time after the issue date and has been adjusted to HK\$0.80 as pursuant to the Share Consolidation. Any CB7 which remains outstanding on 31 December 2015 shall be converted automatically into the shares of the Company.

The fair values of CB6 and CB7 were calculated using income approach and are included in the convertible bond equity reserve in the owners' equity.

As described in note 3(a)(i), in July 2015, the Company sought an injunction against the holders of CB6 and CB7 from completing and/or procuring the conversion and/or transferring of CB6 and CB7.

28. 可換股債券 (續)

可換股債券第六批債券及可換股債券第七批債券

於二零一零年十二月，本公司發行本金額526,880,000港元之零票息可換股債券（「可換股債券第六批債券」），作為收購中國國際能源之部分代價。可換股債券第六批債券為免息，於二零一五年十二月三十一日到期及可於發行日期後任何時間按兌換價每股0.08港元（已根據股份合併調整為0.80港元）兌換為本公司股份（須遵從股份拆細、股份合併、資本化發行及配股相關之標準調整條款）。任何於二零一五年年十二月三十一日仍未獲兌換之可換股債券第六批債券將自動兌換為本公司股份。可換股債券第六批債券之詳情載於日期為二零一零年十月十一日之本公司通函。

本公司將於收購中國國際能源當日已存在之訴訟最終及完全撤除、消除、撤銷、履行、解除、解決或終止後發行本金額526,880,000港元之零票息可換股債券（「可換股債券第七批債券」），作為收購中國國際能源之部分代價。由於訴訟已終止，可換股債券第七批債券將於本公司接獲書面發行要求時發行。可換股債券第七批債券為免息，於二零一五年十二月三十一日到期及可於發行日期後任何時間按兌換價每股0.08港元（已根據股份合併調整為0.80港元）兌換為本公司股份（須遵從股份拆細、股份合併、資本化發行及配股相關之標準調整條款）。任何於二零一五年年十二月三十一日仍未獲兌換之可換股債券第七批債券將自動兌換為本公司股份。

可換股債券第六批債券及可換股債券第七批債券乃按收入法計算，並計入擁有人權益之可換股債券權益儲備。

如附註3(a)(i)所述，於二零一五年七月，本公司申請一項禁制令，限制可換股債券第六批債券及可換股債券第七批債券之持有人完成及／或兌換及／或轉讓可換股債券第六批債券及可換股債券第七批債券。

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28. CONVERTIBLE BONDS (Continued)

CB8

In September 2015, the Company issued approximately 1,898,734,000 convertible bonds ("CB8") in the principal amount of HK\$300,000,000 due in 2018. CB8 are denominated in HK\$, unsecured, bear interest at 5% per annum and will be matured on the date falling on the third anniversary of the issue of CB8. Interest will be payable on the maturity date. Neither the Company nor the holders of CB8 may demand early redemption of the CB8 in any event. CB8 are convertible into the shares of the Company at the holder's option before maturity at an initial conversion price of HK\$0.158 per share (subject to adjustments).

The fair value of the liability components of CB8 was calculated using market interest rate for an equivalent non-convertible bond. The residual amount, representing the value of the equity conversion component, was included in convertible bond equity reserve in the owners' equity.

CB6, CB7 and CB8 recognised in the statement of financial position are calculated as follows:

		CB6	CB7	CB8
		HK\$'000	HK\$'000	HK\$'000
		可換股債券 第六批債券	可換股債券 第七批債券	可換股債券 第八批債券
		千港元	千港元	千港元
Face value of convertible bonds issued	已發行可換股債券之面值	526,880	526,880	300,000
Proceeds of issue (fair value on initial recognition)	發行收益 (首次確認之公平值)	342,557	342,557	300,000
Equity component	權益部分	(342,557)	(342,557)	(87,358)
Liability component	負債部分	-	-	212,642

28. 可換股債券 (續)

可換股債券第八批債券

於二零一五年九月，本公司發行約1,898,734,000份本金額300,000,000港元二零一八年到期之可換股債券（「可換股債券第八批債券」）。可換股債券第八批債券以港元列值，無抵押，年息5%及將於可換股債券第八批債券發行後三週年屆滿之日到期。利息將於到期日支付。本公司或可換股債券第八批債券之持有人可於任何情況下要求提前贖回可換股債券第八批債券。持有人可選擇於到期前將可換股債券第八批債券按初始兌換價每股0.158港元兌換為本公司股份（須遵從調整）。

可換股債券第八批債券負債部分之公平值乃按同等不可換股債券之市場利率計算。餘下金額即為權益轉換部分之價值，並計入擁有人權益之可換股債券權益儲備。

於財務狀況表內確認之可換股債券第六批債券、可換股債券第七批債券及可換股債券第八批債券計算如下：

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28. CONVERTIBLE BONDS (Continued)

Movement of liability component

Movement of liability component for the years ended 31 December 2015 and 2014 is as follows:

		2015 CB8 HK\$'000 二零一五年 可換股債券 第八批債券 千港元	2014 Total HK\$'000 二零一四年 總計 千港元
At 1 January	於一月一日	-	-
Issue of convertible bonds	發行可換股債券	212,642	-
Transaction costs	交易成本	(3,934)	-
Exercise of convertible bonds	行使可換股債券	(76,526)	-
Imputed interest expenses (note 7)	推算利息費用(附註7)	9,268	-
At 31 December	於十二月三十一日	141,450	-
Current portion	即期部分	(3,337)	-
Non-current portion	非即期部分	138,113	-

Movement of equity component

Movement of equity component for the years ended 31 December 2015 and 2014 is as follows:

		CB6 HK\$'000 可換股債券 第六批債券 千港元	CB7 HK\$'000 可換股債券 第七批債券 千港元	CB8 HK\$'000 可換股債券 第八批債券 千港元	Total HK\$'000 總計 千港元
At 1 January 2014	於二零一四年一月一日	137,106	342,557	-	479,663
Exercise of convertible bonds	行使可換股債券	-	(71,258)	-	(71,258)
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及 二零一五年一月一日	137,106	271,299	-	408,405
Issue of convertible bonds	發行可換股債券	-	-	87,358	87,358
Transaction costs	交易成本	-	-	(1,616)	(1,616)
Exercise of convertible bonds	行使可換股債券	-	-	(31,439)	(31,439)
At 31 December 2015	於二零一五年十二月三十一日	137,106	271,299	54,303	462,708

28. 可換股債券(續)

負債部分變動

截至二零一五年及二零一四年十二月三十一日止年度之負債部分變動如下:

		2015 CB8 HK\$'000 二零一五年 可換股債券 第八批債券 千港元	2014 Total HK\$'000 二零一四年 總計 千港元
At 1 January	於一月一日	-	-
Issue of convertible bonds	發行可換股債券	212,642	-
Transaction costs	交易成本	(3,934)	-
Exercise of convertible bonds	行使可換股債券	(76,526)	-
Imputed interest expenses (note 7)	推算利息費用(附註7)	9,268	-
At 31 December	於十二月三十一日	141,450	-
Current portion	即期部分	(3,337)	-
Non-current portion	非即期部分	138,113	-

權益部分變動

截至二零一五年及二零一四年十二月三十一日止年度之權益部分變動如下:

		CB6 HK\$'000 可換股債券 第六批債券 千港元	CB7 HK\$'000 可換股債券 第七批債券 千港元	CB8 HK\$'000 可換股債券 第八批債券 千港元	Total HK\$'000 總計 千港元
At 1 January 2014	於二零一四年一月一日	137,106	342,557	-	479,663
Exercise of convertible bonds	行使可換股債券	-	(71,258)	-	(71,258)
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日及 二零一五年一月一日	137,106	271,299	-	408,405
Issue of convertible bonds	發行可換股債券	-	-	87,358	87,358
Transaction costs	交易成本	-	-	(1,616)	(1,616)
Exercise of convertible bonds	行使可換股債券	-	-	(31,439)	(31,439)
At 31 December 2015	於二零一五年十二月三十一日	137,106	271,299	54,303	462,708

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28. CONVERTIBLE BONDS (Continued)

Movement of equity component (Continued)

The fair value of the liability component of CB8 at the date of issue amounted to approximately HK\$209 million. Interest expense was calculated using effective interest method with interest rate of 18.5% per annum to the liability component of CB8.

In 2014, 1,370,000,000 new ordinary shares in aggregate were issued, at the conversion price of HK\$0.080 per share to the bond holders upon the conversion of CB7 (note 30). As a result, there was an increase in share capital and share premium of HK\$13,700,000 and HK\$57,558,000 respectively in 2014.

During the year, approximately 696,203,000 new ordinary shares in aggregate were issued, at the conversion price of HK\$0.158 per share to the bond holders upon the conversion of CB8 (note 30). As a result, there was an increase in share capital and share premium of HK\$69,620,000 and HK\$38,345,000 respectively during the year.

28. 可換股債券 (續)

權益部分變動 (續)

於發行日，可換股債券第八批債券負債部分之公平值約為209,000,000港元。利息費用乃按實際利率法以年利率18.5%就可換股債券第八批債券負債部分計算。

於二零一四年，本公司於可換股債券第七批債券進行兌換時按兌換價每股0.080港元發行合共1,370,000,000股新普通股（附註30）。因此，於二零一四年股本及股份溢價分別增加13,700,000港元及57,558,000港元。

年內，本公司於可換股債券第八批債券進行兌換時按兌換價每股0.158港元向債券持有人發行合共約696,203,000股新普通股（附註30）。因此，於年內之股本及股份溢價分別增加69,620,000港元及38,345,000港元。

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29. DEFERRED TAX

Details of deferred tax assets and liabilities recognised and movements during the current and prior years are as follows:

		Accelerated capital allowances HK\$'000	Fair value adjustment on business combination HK\$'000	Undistributed profit of foreign subsidiary HK\$'000	Total HK\$'000
		加速資本 撥備 千港元	業務合併之 公平值調整 千港元	海外 附屬公司 未分派溢利 千港元	總計 千港元
At 1 January 2014	於二零一四年一月一日	21,228	(354,474)	(7,488)	(340,734)
Credited to profit or loss (note 9)	計入損益表(附註9)	38,806	111,974	-	150,780
Exchange differences	匯兌差額	183	-	-	183
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日 及二零一五年一月一日	60,217	(242,500)	(7,488)	(189,771)
(Charged)/Credited to profit or loss (note 9)	(自損益表扣除)/計入損益表 (附註9)	(1,701)	103,203	-	101,502
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	-	(25,502)	-	(25,502)
Exchange differences	匯兌差額	(2,577)	-	-	(2,577)
At 31 December 2015	於二零一五年十二月三十一日	55,939	(164,799)	(7,488)	(116,348)

29. 遞延稅項

本年度及過往年度的已確認遞延稅項資產及負債及其變動詳情如下：

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29. DEFERRED TAX (Continued)

For the purpose of presentation in statement of financial position, the following is the analysis of the deferred tax balances for financial reporting purposes:

Deferred tax assets	遞延稅項資產
Deferred tax liabilities	遞延稅項負債

Pursuant to the PRC Corporate Income Tax Law, 10% withholding tax is levied on dividends declared to foreign investment enterprises established in the PRC effective from 1 January 2008. The Group is liable to withholding taxes on dividends distributed by the subsidiaries established in the PRC in respect of earnings generated from 1 January 2008.

As at 31 December 2015, the Group has not recognised deferred tax assets in respect of the loss of HK\$49,774,000 (2014: HK\$43,051,000) as it is not probable that future taxable profits against which the loss can be utilised will be available in the relevant tax jurisdiction and entity. The tax losses will be expired within five years under current tax legislation.

As at 31 December 2015, included in the above net deferred tax liabilities are deferred tax assets of HK\$55,939,000 arising from accelerated capital allowances and deferred tax liabilities of HK\$139,297,000 arising from fair value adjustment on business combination relate to the Songliao Contract entered into with the State-owned Enterprise (a net deferred tax liabilities of HK\$83,358,000).

29. 遞延稅項 (續)

就呈列財務狀況表而言，以下為就財務申報而作出的遞延稅項結餘分析：

2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
55,939	60,217
(172,287)	(249,988)
(116,348)	(189,771)

根據中國企業所得稅法，向中國成立之外資企業宣派之股息須按10%之稅率繳納預扣稅，由二零零八年一月一日起生效。本集團須就該等於中國成立之附屬公司就二零零八年一月一日起產生之盈利而分派之股息繳交預扣稅。

於二零一五年十二月三十一日，本集團並無就49,774,000港元之稅項虧損（二零一四年：43,051,000港元）確認遞延稅項資產，因於相關稅項司法權區及有關實體未來出現應課稅溢利須動用該等虧損以作抵銷之機會不大。根據現行稅務法例，稅項虧損將於五年內到期。

於二零一五年十二月三十一日，上述遞延稅項負債淨額包括加速資本撥備引致的遞延稅項資產55,939,000港元及與國有企業所訂立松遼合約相關的業務合併之公平值調整引致的遞延稅項負債139,297,000港元（遞延稅項負債淨額83,358,000港元）。

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30. SHARE CAPITAL

30. 股本

		2015 二零一五年		2014 二零一四年	
		Number of shares '000	HK\$'000	Number of shares '000	HK\$'000
		股份數目 千股	千港元	股份數目 千股	千港元
Authorised:	法定股本：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股				
At 1 January	於一月一日	5,000,000	500,000	50,000,000	500,000
Share consolidation (note (iii))	股份合併 (附註(iii))	-	-	(45,000,000)	-
At 31 December	於十二月三十一日	5,000,000	500,000	5,000,000	500,000
Issued and fully paid:	已發行及繳足股本：				
Ordinary shares of HK\$0.1 each	每股面值0.1港元之普通股				
At 1 January	於一月一日	1,984,085	198,408	17,470,851	174,708
Issue of shares upon placing (note (i))	於配售時發行股份 (附註(i))	369,417	36,942	-	-
Exercise of convertible bonds and issue of shares (note 28)	行使可換股債券及發行股份 (附註28)	696,203	69,620	1,370,000	13,700
Issue of shares for settlement of other borrowings (note (ii))	於清償其他借款時發行股份 (附註(ii))	-	-	1,000,000	10,000
Share consolidation (note (iii))	股份合併 (附註(iii))	-	-	(17,856,766)	-
At 31 December	於十二月三十一日	3,049,705	304,970	1,984,085	198,408

Notes:

附註：

- (i) On 15 May 2015, the Company entered into a placing agreement with the placing agent, pursuant to which an aggregate of 369,417,012 new ordinary shares were issued at the placing price of HK\$0.145 per share to independent investors. This placement was completed on 12 June 2015 and as a result, there was an increase in share capital and share premium of HK\$36,942,000 and HK\$16,624,000 respectively. Details of the placement are set out in the Company's announcements dated 18 May 2015 and 12 June 2015.

- (i) 於二零一五年五月十五日，本公司與配售代理訂立配售協議，據此，合共369,417,012股新普通股已按每股0.145港元之配售價向獨立投資者發行。配售於二零一五年六月十二日完成，因此股本及股份溢價分別增加36,942,000港元及16,624,000港元。配售之詳情載於本公司日期為二零一五年五月十八日及二零一五年六月十二日之公佈。

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30. SHARE CAPITAL (Continued)

Notes: (Continued)

- (ii) In 2014, the Company and Maycrown Capital Limited (“Maycrown”) entered into the settlement agreement (the “Settlement Agreement”), pursuant to which the Company issued and allotted a total of 1,000,000,000 new shares under the general mandate to Maycrown in consideration of full and final settlement of the sum of HK\$37,603,000 payable to Maycrown. The closing market price of the Company’s share at the settlement date was HK\$0.021. As a result, there was an increase in share capital, share premium and capital reserve of HK\$10,000,000, HK\$11,000,000 and HK\$16,603,000 respectively (note 31(a)).
- (iii) Pursuant to a resolution passed at an extraordinary general meeting held on 7 October 2014 and approvals from relevant government authorities, the Company consolidated every ten shares with a par value of HK\$0.01 each into one consolidated share with a par value of HK\$0.1 each with effective on 8 October 2014. Upon the share consolidation, total number of issued shares changed from 19,840,850,617 shares with a par value of HK\$0.01 each to 1,984,085,061 shares with a par value of HK\$0.1 each and the Company’s authorised share capital remained at HK\$500,000,000.

All issued new ordinary shares in 2015 and 2014 rank pari passu with other shares in issue in all respects.

31. RESERVES

(a) Group

The amounts of the Group’s reserves and the movements therein during the year are presented in the consolidated statement of changes in equity.

Share premium

- (i) the difference between the combined net asset value of the subsidiaries acquired pursuant to the Group reorganisation in 2001, over the nominal value of the share capital of the Company issued in exchange therefor;

30. 股本 (續)

附註：(續)

- (ii) 於二零一四年，本公司與美冠資本有限公司（「美冠」）訂立一項和解協議（「和解協議」），據此，本公司根據一般授權發行及配發合共1,000,000,000股新股份予美冠，作為完全並最終清償應付予美冠之37,603,000港元款項。本公司股份於清償日期之收市價為0.021港元。因此，股本、股份溢價及資本儲備分別增加10,000,000港元、11,000,000港元及16,603,000港元及附註31(a)。
- (iii) 根據於二零一四年十月七日舉行之股東特別大會上通過之決議案，及經相關政府機關批准，本公司將每十股每股面值0.01港元之股份合併為一股面值0.1港元之合併股份，於二零一四年十月八日生效。股份合併後，已發行股份總數由19,840,850,617股每股面值0.01港元之股份更改為1,984,085,061股每股面值0.1港元之股份，而本公司之法定股本仍為500,000,000港元。

二零一五年及二零一四年之所有已發行新普通股在各方面與其他已發行股份享有同等權益。

31. 儲備

(a) 本集團

本集團於年內之儲備金額及儲備變動情況載於綜合權益變動表。

股份溢價

- (i) 根據本集團於二零零一年之重組收購之附屬公司之合併資產淨值超出本公司就交換而發行之股本面值之差額；

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31. RESERVES (Continued)

(a) Group (Continued)

Share premium (Continued)

- (ii) the premium arising from the capitalisation issue in the previous years;
- (iii) issue of shares of the Company at a premium net of the transaction costs associated with the issue of shares; and
- (iv) amount transferred from other equity reserves upon exercise of share options and conversion of convertible bonds.

Capital reserve

As described in note 30(ii) above, in 2014, pursuant to the settlement agreement with Maycrown, the Company issued and allotted a total of 1,000,000,000 new shares to Maycrown as full settlement of HK\$37,603,000 due to Maycrown. As the closing market price of the Company's share was HK\$0.021 at the settlement date, there was an increase in share capital, share premium and capital reserve of HK\$10,000,000, HK\$11,000,000 and HK\$16,603,000 respectively in 2014.

In 2014, the Group entered into the borrowing agreement with non-controlling shareholder. As at 31 December 2014, the carrying value of interest-free loan of HK\$13,887,000 was determined based on the present value of the estimated future cash outflows discounted using effective interest rate of 14.82% per annum. Upon the change of terms of the loan on 31 December 2014, a gain on extinguishment of HK\$3,251,000 was recognised. Amounts of HK\$1,951,000 and HK\$1,300,000 were credited to capital reserve and non-controlling interests in equity respectively (note 25) in 2014.

31. 儲備 (續)

(a) 本集團 (續)

股份溢價 (續)

- (ii) 過往年度資本化發行產生之溢價；
- (iii) 本公司以溢價（已扣除發行股份相關交易成本）發行股份；及
- (iv) 於行使購股權及兌換可換股債券時從其他權益儲備轉撥之款項。

資本儲備

如上文附註30(ii)所述，於二零一四年，根據與美冠之和解協議，本公司發行及配發合共1,000,000,000股新股份予美冠，作為完全清償應付美冠之37,603,000港元款項。由於本公司股份於清償日期之收市價為0.021港元，於二零一四年股本、股份溢價及資本儲備分別增加10,000,000港元、11,000,000港元及16,603,000港元。

於二零一四年，本集團與非控股股東訂立借款協議。於二零一四年十二月三十一日，13,887,000港元免息貸款之賬面值按估計未來現金流出之現值（使用實際年利率14.82%折現）釐定。該筆貸款之條款於二零一四年十二月三十一日更改後，確認3,251,000港元之撇銷收益。於二零一四年，1,951,000港元及1,300,000港元之款額已分別撥入權益內之資本儲備及非控股權益（附註25）。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

31. RESERVES (Continued)

(a) Group (Continued)

Exchange reserve

Exchange differences arising from the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. HK\$) are recognised directly in other comprehensive income and accumulated in exchange reserve. The reserve is dealt with in accordance with the accounting policy of foreign currencies set out in note 3(e).

Convertible bonds equity reserve

Under HKAS 32, convertible bonds issued are split into liability and equity components at initial recognition by recognising the liability component at its fair value determined using market interest rate for equivalent non-convertible bonds and attributing to the equity component the difference between the proceeds from issue and the fair value of the liability component. The liability component is subsequently carried at amortised cost whilst equity component is recognised in convertible bonds equity reserve until the bonds are either converted (in which case it is transferred to share premium) or the bonds are redeemed (in which case it is released directly to accumulated losses).

31. 儲備 (續)

(a) 本集團 (續)

匯兌儲備

將本集團海外業務之資產淨值按其功能貨幣換算為本集團呈列貨幣 (即港元) 而產生的匯兌差額直接於其他全面收入確認及於匯兌儲備累計。該儲備乃根據附註3(e)所載之外幣會計政策作會計處理。

可換股債券權益儲備

根據香港會計準則第32號，已發行可換股債券於初步確認時分為負債及權益部分，負債部分乃按採用同等不可換股債券之市場利率釐定其公平值予以確認，權益部分則包括發行之所得款項與負債部分公平值之差額。負債部分其後按攤銷成本列賬。權益部分於可換股債券權益儲備確認，直至可債券獲兌換 (於此情況下其將轉撥至股份溢價) 或債券獲贖回 (於此情況下其將直接解除至累計虧損)。

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31. RESERVES (Continued)

(b) Company

		Share premium HK\$'000	Capital reserve HK\$'000	Convertible bond equity reserve HK\$'000 可換股債券 權益儲備 千港元	Accumulated losses HK\$'000	Total HK\$'000
		股份溢價 千港元	資本儲備 千港元	可換股債券 權益儲備 千港元	累計虧損 千港元	總計 千港元
At 1 January 2014	於二零一四年一月一日	2,241,459	141,357	479,663	(1,513,968)	1,348,511
Issue of shares upon conversion of convertible bonds (note 28)	於兌換可換股債券時 發行股份 (附註28)	57,558	-	(71,258)	-	(13,700)
Issue of shares for settlement of other borrowings (note 30(ii))	於償還其他借款時發行股份 (附註30(ii))	11,000	16,603	-	-	27,603
Loss for the year	本年度虧損	-	-	-	(753,433)	(753,433)
At 31 December 2014 and 1 January 2015	於二零一四年十二月三十一日 及二零一五年一月一日	2,310,017	157,960	408,405	(2,267,401)	608,981
Issue of shares upon placing (note 30(i))	於配售時發行股份 (附註30(i))	16,624	-	-	-	16,624
Shares issue expenses	發行股份費用	(1,066)	-	-	-	(1,066)
Issue of convertible bonds (note 28)	發行可換股債券 (附註28)	-	-	85,742	-	85,742
Issue of shares upon conversion of convertible bonds (note 28)	於兌換可換股債券時 發行股份 (附註28)	38,345	-	(31,439)	-	6,906
Loss for the year	本年度虧損	-	-	-	(398,500)	(398,500)
At 31 December 2015	於二零一五年 十二月三十一日	2,363,920	157,960	462,708	(2,665,901)	318,687

Details of share premium and convertible bonds equity reserve of the Company are set out in note 31(a) above. Capital reserve arose from the Company's capital reorganisation on 10 March 2005 and represented the reduction of share capital of the Company.

本公司股份溢價及可換股債券權益儲備之詳情載於上述附註31(a)。資本儲備來自本公司於二零零五年三月十日進行的資本重組並指本公司股本削減。

31. 儲備 (續)

(b) 本公司

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32. SHARE-BASED COMPENSATION

The Company has a share option scheme, which was adopted by the shareholders on 24 June 2013 (the "Scheme") and unless otherwise cancelled or amended, will remain in force for 10 years from the date of adoption. Eligible participants of the Scheme include the Company's directors, independent non-executive directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, any person or entity that provides research, development or other technological support to the Group and any non-controlling shareholder in the Company's subsidiaries.

Pursuant to the extraordinary general meeting passed on 24 June 2013, the general scheme limit of the Scheme is set to 1,746,849,000 shares which have been adjusted to 174,685,000 shares pursuant to the share consolidation in 2014, representing 10% of the Company's issued share capital on the date of meeting, with the passing of ordinary resolution, which allows the Company to grant further options carrying the rights to subscribe for a maximum of 1,746,849,000 shares. This is also the maximum unexercised share options currently permits to be granted under the Scheme at any time.

Maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period, is limited to 1%, of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

32. 以股份為基礎之補償

本公司由股東於二零一三年六月二十四日採納一項購股權計劃（「計劃」），除非另行取消或修訂，否則計劃由採納日期起計10年內一直有效。計劃之合資格參與者包括本公司之董事、獨立非執行董事、本集團之其他僱員、本集團之貨品或服務供應商、本集團之顧客、向本集團提供研究、發展或其他技術支援之任何人士或實體及本公司附屬公司之任何非控股股東。

根據於二零一三年六月二十四日舉行之股東特別大會，計劃之一般計劃限額已設定為1,746,849,000股股份（已根據二零一四年股份合併調整為174,685,000股股份）（佔大會舉行日期本公司已發行股本之10%），隨著普通決議案獲通過，本公司可進一步授出附有最多可認購1,746,849,000股股份權利之購股權。此亦為於任何時間根據計劃容許授出之尚未行使購股權之最高數目。

在任何十二個月期間內，根據購股權可向計劃內之每名合資格參與者發行之最高股份數目不得超逾本公司於任何時間已發行股份之1%。倘進一步授出超逾此限額之購股權，則須在股東大會上取得股東批准。

授予本公司董事、主要行政人員或主要股東或彼等之任何聯繫人之購股權，須事先取得獨立非執行董事之批准。此外，在任何十二個月期間內授予本公司之主要股東或獨立非執行董事或彼等之任何聯繫人之購股權，倘超逾本公司於任何時間已發行股份之0.1%或總值超逾5,000,000港元（根據於授出日期本公司之股價而釐定），則須事先在股東大會上取得股東批准。

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32. SHARE-BASED COMPENSATION (Continued)

The offer of a grant of share options may be accepted within 14 days from the date of the offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors of the Company, and commences after a certain vesting period and ends on a date which is not later than 10 years from the date of the offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of the share options is determinable by the directors of the Company, but may not be less than the higher of:

- (a) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options;
- (b) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer; and
- (c) the nominal value of the shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

There has been no share option granted or exercised since the Scheme was adopted in June 2013. As at 31 December 2015 and 2014, the Group has no outstanding share option.

32. 以股份為基礎之補償 (續)

授出購股權之建議須於授出購股權建議之日起計14日內獲接納，承授人亦須就此繳交合共1港元之名義代價。所授出之購股權之行使期由本公司董事決定，期限在一段歸屬期後開始，而屆滿日期不得遲於建議授出購股權日期起計10年或計劃屆滿之日（以較早發生者為準）。

購股權之行使價由本公司董事決定，惟不得低於以下之較高者：

- (a) 於建議授出購股權之日期本公司股份於聯交所之收市價；
- (b) 本公司股份於緊接建議授出購股權日期前五個交易日在聯交所之平均收市價；及
- (c) 股份之面值。

購股權並無賦予持有人收取股息或於股東大會上投票之權利。

自二零一三年六月採納計劃以來，並無授出或行使購股權。於二零一五年及二零一四年十二月三十一日，本集團並無尚未行使之購股權。

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33. OIL PRODUCTION SHARING CONTRACT – SONGLIAO CONTRACT

In August 2007, China Era, previously owned by Mr. A and subsequently sold to the Group as a subsidiary in 2010, entered into the Songliao Contract with the State-owned Enterprise to develop and produce crude oil in Liangjing Block on Songliao Basin in Jilin, the PRC (the “Songliao Oil Basin”).

In accordance with the Songliao Contract, China Era provides funds and applies its technology and managerial experience to cooperate with the State-owned Enterprise for the development and production of crude oil in the Songliao Oil Basin. The production period will be ended in 2031, unless extended.

China Era bears all costs required for the evaluation operations and development operations. Operating costs incurred are paid by the State-owned Enterprise and China Era in accordance with 51% and 49% respectively. However, the State-owned Enterprise’s portion of operating costs are advanced by China Era and recovered from the production of crude oil.

Under the terms of the Songliao Contract, evaluation costs, development costs and operating costs are to be recovered according to a mechanism of cost recovery oil and investment recovery oil. Remaining oil, after cost recovery, all applicable taxes and royalty that might apply in the PRC, is shared in the proportion of 51% and 49% by the State-owned Enterprise and China Era respectively.

In December 2009, the approval of Overall Development Program from the State Development and Reform Commission was obtained. The technical feasibility and commercial viability of extracting oil are demonstrated. the State-owned Enterprise is the holder of oil exploitation licence.

33. 產油業務共享合約－松遼合約

於二零零七年八月，中國年代（之前由A先生所有並隨後於二零一零年出售予本集團成為附屬公司），與國有企業訂立松遼合約，以於中國吉林松遼盆地（「松遼石油盆地」）兩井區塊開發及生產原油。

根據松遼合約，中國年代同意與國有企業合作，提供資金及應用其技術及管理經驗，以在松遼石油盆地開發及生產原油。除非延期，生產期將於二零三一年結束。

中國年代承擔評估營運及開發營運所需之全部成本。產生之營運成本由國有企業與中國年代分別按51%及49%之比例支付。然而，國有企業承擔之營運成本部分由中國年代墊付，並從原油生產中收回。

根據松遼合約之條款，評估成本、開發成本及營運成本將根據收回成本石油及收回投資石油機制收回。在扣除收回成本、所有可能在中國應用之適用稅項及礦區使用費後，餘下的石油將分別按51%及49%之比例由國有企業及中國年代攤分。

於二零零九年十二月，國家發展改革委員會批准整體開發計劃。開採石油之技術及商業可行性可以確定。國有企業持有石油開採牌照。

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33. OIL PRODUCTION SHARING CONTRACT – SONGLIAO CONTRACT (Continued)

Set out below is the summary of assets, liabilities and results for the year recognised in the consolidated financial statements in relation to the Group's interest in the Songliao Contract:

(a) Results for the year

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Revenue	收益	40,675	102,099
Other income	其他收入	18	2,898
Expenses	開支	(99,780)	(276,333)
Loss before income tax	除所得稅前虧損	(59,087)	(171,336)
Income tax credit	所得稅計入	3	39,520
Loss for the year	本年度虧損	(59,084)	(131,816)

(b) Assets and liabilities

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Property, plant and equipment	物業、廠房及設備	44,838	95,909
Intangible assets	無形資產	633	1,223
Other non-current assets	其他非流動資產	78,142	60,218
Current assets	流動資產	10,496	18,389
Current liabilities	流動負債	(148,339)	(124,447)
Non-current liabilities	非流動負債	(34,734)	(41,971)
Net (liabilities)/assets	(負債)/資產淨值	(48,964)	9,321

33. 產油業務共享合約－松遼合約 (續)

以下載列於綜合財務報表中就本集團於松遼合約之權益確認之本年度之資產、負債及業績之概要：

(a) 年度業績

	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Revenue	40,675	102,099
Other income	18	2,898
Expenses	(99,780)	(276,333)
Loss before income tax	(59,087)	(171,336)
Income tax credit	3	39,520
Loss for the year	(59,084)	(131,816)

(b) 資產及負債

	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Property, plant and equipment	44,838	95,909
Intangible assets	633	1,223
Other non-current assets	78,142	60,218
Current assets	10,496	18,389
Current liabilities	(148,339)	(124,447)
Non-current liabilities	(34,734)	(41,971)
Net (liabilities)/assets	(48,964)	9,321

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

33. OIL PRODUCTION SHARING CONTRACT – SONGLIAO CONTRACT (Continued)

(c) Commitments

	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Other commitments: Contracted but not provided for in respect of administrative fee and training fee	50,622	50,986
Operating lease commitments: Contracted but not provided for in respect of leasehold land and buildings and equipment rental	3,061	2,480
	53,683	53,466

As detailed in note 3(a)(i), the directors of the Company found that Mr. A was formally charged by prosecution authorities in the PRC for illegal operation crime, possibly involved allegations about improper conduct in obtaining of the Songliao Contract. The directors of the Company consider that the Charge is only at a preliminary stage and it is not possible to estimate the outcome on the Group's oil production business and financial position, arising from the Charge against Mr. A. Nevertheless, it is possible that the Group may not be able to exercise its right under the Songliao Contract and its Oil Production Assets may be fully impaired if the Songliao Contract becomes void when Mr. A is found guilty for his suspected improper conduct in obtaining the Songliao Contract. The directors consider that the Songliao Contract will continue to be valid and will be executed as planned as the Group has close working relationship with the State-owned Enterprise and up to the date of authorisation for issue of the consolidated financial statements, there is no indication from the State-owned Enterprise regarding any potential claim or questioning on the validity of the Songliao Contract.

33. 產油業務共享合約－松遼合約 (續)

(c) 承擔

如附註3(a)(i)所詳述，本公司董事發現A先生遭中國檢控機關正式控告非法經營罪，其中可能涉及其於獲得松遼合約時有不當行為。本公司董事認為，有關控告僅處於初始階段，故無法估計針對A先生提出之控告的結果對本集團之產油業務及財務狀況造成之影響。儘管如此，本集團可能無法行使其於松遼合約項下之權利，且倘松遼合約因A先生就其於取得松遼合約過程中涉嫌不當行為被裁斷罪名成立而成為無效時，其產油資產或會遭悉數減值。董事認為松遼合約將繼續有效並按計劃予以執行，蓋因本集團與國有企業建立緊密合作關係以及截至綜合財務報表獲授權刊發當日，國有企業並無提出任何潛在索償或對松遼合約之有效性提出質疑。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

34. HOLDING COMPANY STATEMENT OF FINANCIAL POSITION

34. 控股公司財務狀況表

	Notes 附註	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
ASSETS AND LIABILITIES	資產及負債		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	22	15
Interests in subsidiaries	於附屬公司之權益	663,039	844,309
		663,061	844,324
Current assets	流動資產		
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	24,818	–
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	30,280	98
Cash at banks and in hand	銀行結存及手頭現金	94,086	3,703
		149,184	3,801
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及應計款項	8,002	1,492
Amount due to a subsidiary	應付一家附屬公司款項	39,136	–
Convertible bonds	可換股債券	3,337	–
		50,475	1,492
Net current assets	流動資產淨值	98,709	2,309
Total assets less current liabilities	資產總值減流動負債	761,770	846,633
Non-current liabilities	非流動負債		
Amount due to a subsidiary	應付一間附屬公司款項	–	39,244
Convertible bonds	可換股債券	138,113	–
		138,113	39,244
Net assets	資產淨值	623,657	807,389
EQUITY	權益		
Share capital	股本	304,970	198,408
Reserves	儲備	318,687	608,981
Total equity	總權益	623,657	807,389

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

35. SUBSIDIARIES

- (a) Particulars of the principal subsidiaries as at 31 December 2015 are as follows:

Name	Place of incorporation/ establishment/ 註冊成立/ 成立地點	Paid-up share/ registered capital 實繳股本/註冊資本	Percentage of ownership interests/ voting rights/ profit share 本公司應佔股本百分比	Principal activities and place of operation 主要業務及經營地點
Directly held				
直接持有				
Smooth Way International Limited 順威國際有限公司	British Virgin Islands ("BVI") 英屬處女群島	Ordinary United States dollars ("US\$")1 普通股1美元	100%	Investment holding, Hong Kong 投資控股·香港
Cheerful Dragon Limited 怡龍有限公司	BVI 英屬處女群島	Ordinary US\$1 普通股1美元	100%	Investment holding, Hong Kong 投資控股·香港
Precious New Limited 寶穎有限公司	BVI 英屬處女群島	Ordinary US\$1 普通股1美元	100%	Investment holding, Hong Kong 投資控股·香港
Mission Achiever Limited ("Mission Achiever") # Mission Achiever Limited (「Mission Achiever」) #	Samoa 薩摩亞	Ordinary US\$1 普通股1美元	100%	Investment holding, Hong Kong 投資控股·香港
Indirectly held				
間接持有				
Energy Investments (Hong Kong) Limited 能源投資(香港)有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100%	Investment holding, Hong Kong 投資控股·香港
Treasure Tone Limited 富裕通有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100%	Investment holding, Hong Kong 投資控股·香港

35. 附屬公司

- (a) 於二零一五年十二月三十一日之主要附屬公司詳情如下：

Name	Place of incorporation/ establishment/ 註冊成立/ 成立地點	Paid-up share/ registered capital 實繳股本/註冊資本	Percentage of ownership interests/ voting rights/ profit share 本公司應佔股本百分比	Principal activities and place of operation 主要業務及經營地點
Directly held				
直接持有				
Smooth Way International Limited 順威國際有限公司	British Virgin Islands ("BVI") 英屬處女群島	Ordinary United States dollars ("US\$")1 普通股1美元	100%	Investment holding, Hong Kong 投資控股·香港
Cheerful Dragon Limited 怡龍有限公司	BVI 英屬處女群島	Ordinary US\$1 普通股1美元	100%	Investment holding, Hong Kong 投資控股·香港
Precious New Limited 寶穎有限公司	BVI 英屬處女群島	Ordinary US\$1 普通股1美元	100%	Investment holding, Hong Kong 投資控股·香港
Mission Achiever Limited ("Mission Achiever") # Mission Achiever Limited (「Mission Achiever」) #	Samoa 薩摩亞	Ordinary US\$1 普通股1美元	100%	Investment holding, Hong Kong 投資控股·香港
Indirectly held				
間接持有				
Energy Investments (Hong Kong) Limited 能源投資(香港)有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100%	Investment holding, Hong Kong 投資控股·香港
Treasure Tone Limited 富裕通有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100%	Investment holding, Hong Kong 投資控股·香港

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

35. SUBSIDIARIES (Continued)

(a) Particulars of the principal subsidiaries as at 31 December 2015 are as follows: (Continued)

Name	Place of incorporation/ establishment 註冊成立/ 成立地點	Paid-up share/ registered capital 實繳股本/註冊資本	Percentage of ownership interests/ voting rights/ profit share 本公司應佔 股本百分比	Principal activities and place of operation 主要業務及經營地點
Indirectly held (Continued) 間接持有 (續)				
Kanson Development Limited	BVI	Ordinary US\$200	100%	Investment holding, Hong Kong
Kanson Development Limited	英屬處女群島	普通股200美元	100%	投資控股·香港
Hong Kong Forest Source Mining Industry Holding Company Limited 香港森源礦業控股有限公司	Hong Kong 香港	Ordinary HK\$70,000,000 普通股70,000,000港元	100% 100%	Investment holding, Hong Kong 投資控股·香港
Sunlight Rise Limited 昇輝有限公司	BVI 英屬處女群島	Ordinary US\$2 普通股2美元	100% 100%	Investment holding, Hong Kong 投資控股·香港
Pride Treasure Limited 傲財有限公司	Hong Kong 香港	Ordinary HK\$10,000 普通股10,000港元	100% 100%	Investment holding, Hong Kong 投資控股·香港
Precious New Energy Hong Kong Limited 寶新能源香港有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100% 100%	Investment holding, Hong Kong 投資控股·香港
Precious New Energy Investment Limited 寶新能源投資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100% 100%	Investment holding, Hong Kong 投資控股·香港
Mid-Ocean Hong Kong Investment Limited ("Mid-Ocean") * 中海香港投資有限公司*	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100% 100%	Investment holding, Hong Kong 投資控股·香港
Ontop Finance Limited 宏達融資有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100% 100%	Investment holding, Hong Kong 投資控股·香港

35. 附屬公司 (續)

(a) 於二零一五年十二月三十一日之主要附屬公司詳情如下: (續)

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35. SUBSIDIARIES (Continued)

(a) Particulars of the principal subsidiaries as at 31 December 2015 are as follows: (Continued)

Name	Place of incorporation/ establishment/ 註冊成立/ 成立地點	Paid-up share/ registered capital 實繳股本/註冊資本	Percentage of ownership interests/ voting rights/ profit share 本公司應佔股本百分比	Principal activities and place of operation 主要業務及經營地點
Indirectly held (Continued) 間接持有 (續)				
Shanxi Zhong Kai Group Lingshi Heat and Power Company Limited* 山西中凱集團靈石熱電有限公司*	PRC 中國	RMB185,000,000 人民幣185,000,000元	60% 60%	Supply of electricity and heat, the PRC 熱電供應·中國
China International Energy Investments (Hong Kong) Limited 中國國際能源投資(香港)有限公司	BVI 英屬處女群島	Ordinary US\$2 普通股2美元	100% 100%	Investment holding, Hong Kong 投資控股·香港
China International Energy Investments (Hong Kong) Limited 中國國際能源投資(香港)有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	100% 100%	Investment holding, Hong Kong 投資控股·香港
China Era Energy Power Investment Limited 中國年代能源投資有限公司	Hong Kong 香港	Ordinary HK\$10 普通股10港元	100% 100%	Oil production, the PRC 石油生產·中國
Shandong Shundong Port Services Company Limited** 山東順東港務有限公司**	PRC 中國	RMB204,081,633 人民幣204,081,633元	51% 51%	Oil and liquefied chemical terminal, the PRC 石油及液體化工品碼頭·中國

* Established in the PRC as a sino-foreign equity enterprise

Newly acquired during the year

35. 附屬公司 (續)

(a) 於二零一五年十二月三十一日之主要附屬公司詳情如下：(續)

Percentage of ownership interests/ voting rights/ profit share 本公司應佔股本百分比	Principal activities and place of operation 主要業務及經營地點
Indirectly held (Continued) 間接持有 (續)	
60% 60%	Supply of electricity and heat, the PRC 熱電供應·中國
100% 100%	Investment holding, Hong Kong 投資控股·香港
100% 100%	Investment holding, Hong Kong 投資控股·香港
100% 100%	Oil production, the PRC 石油生產·中國
51% 51%	Oil and liquefied chemical terminal, the PRC 石油及液體化工品碼頭·中國

* 於中國成立中外合資企業

於年內新收購

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35. SUBSIDIARIES (Continued)

- (a) Particulars of the principal subsidiaries as at 31 December 2015 are as follows: (Continued)

The financial statements of the subsidiaries for the year ended 31 December 2015 have been examined by BDO Limited for the purpose of the Group's consolidated financial statements.

The above tables list the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

- (b) Particulars of the entities de-consolidated since 2010 are as follows:

Name	Place of incorporation/ establishment 註冊成立/ 成立地點	Paid-up share/ registered capital 實繳股本/註冊資本	Percentage of ownership interests/ voting rights/ profit share 本公司應佔 股本百分比	Principal activities and place of operation 主要業務及經營地點
Indirectly held 間接持有				
QHFSMI (notes 3(a)(iii) and (iv))	PRC, wholly owned foreign enterprise ("WFOE")	HK\$40,000,000	100%	Exploration of mine, the PRC
青海森源 (附註3(a)(iii)及(iv))	中國·外商獨資企業	40,000,000港元	100%	礦區勘探·中國
IMFSMI (notes 3(a)(iii) and (iv))	PRC, WFOE	Not yet paid up	100%	Not yet commenced business
內蒙古森源 (附註3(a)(iii)及(iv))	中國·外商獨資企業	尚未繳足	100%	尚未開始經營業務

35. 附屬公司 (續)

- (a) 於二零一五年十二月三十一日之主要附屬公司詳情如下: (續)

就編製本集團綜合財務報表, 截至二零一五年十二月三十一日止年度的附屬公司財務報表經香港立信德豪會計師事務所有限公司審核。

上表載列本公司董事認為於本年度對本集團之業績有重大影響或佔本集團絕大部分資產淨值之本公司之附屬公司。本公司董事認為, 提供其他附屬公司之詳情將過於冗長。

所有附屬公司於年結日均無發行任何債務證券。

- (b) 自二零一零年起不再綜合入賬之實體詳情如下:

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36. NON-CONTROLLING INTERESTS

- (a) Summarised financial information in relation to the non-controlling interests of Shanxi Zhong Kai Group Lingshi, a 60% owned subsidiary of the Company, before intra-group eliminations, is presented below:

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
For the year ended 31 December	截至十二月三十一日止年度		
Revenue	收益	46,805	125,824
Loss for the year	本年度虧損	(98,520)	(215,381)
Total comprehensive income	全面收入總額	(109,293)	(221,788)
Loss allocated to non-controlling interests	分配至非控股股東權益之虧損	(39,408)	(86,153)
Dividends paid to non-controlling interests	向非控股股東權益派付股息	-	-
For the year ended 31 December	截至十二月三十一日止年度		
Cash (used in)/generated from operating activities	(用於)/來自營運之現金	(60,070)	3,298
Cash used in investing activities	用於投資活動之現金	-	(521)
Cash (used in)/generated from financing activities	(用於)/來自融資活動之現金	(1,759)	5,865
Net cash (outflows)/inflows	現金(流出)/流入淨額	(61,829)	8,642
At 31 December	於十二月三十一日		
Current assets	流動資產	82,429	97,133
Non-current assets	非流動資產	28,068	127,284
Current liabilities	流動負債	(158,887)	(149,627)
Non-current liabilities	非流動負債	-	(13,887)
Net (liabilities)/assets	(負債)/資產淨值	(48,390)	60,903
Accumulated non-controlling interests	累計非控股股東權益	(19,356)	24,361

36. 非控股股東權益

- (a) 有關山西中凱集團靈石(本公司擁有60%之附屬公司)非控股股東權益之財務資料概要(作出集團內公司間對銷前)呈列如下:

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
For the year ended 31 December	截至十二月三十一日止年度		
Revenue	收益	46,805	125,824
Loss for the year	本年度虧損	(98,520)	(215,381)
Total comprehensive income	全面收入總額	(109,293)	(221,788)
Loss allocated to non-controlling interests	分配至非控股股東權益之虧損	(39,408)	(86,153)
Dividends paid to non-controlling interests	向非控股股東權益派付股息	-	-
For the year ended 31 December	截至十二月三十一日止年度		
Cash (used in)/generated from operating activities	(用於)/來自營運之現金	(60,070)	3,298
Cash used in investing activities	用於投資活動之現金	-	(521)
Cash (used in)/generated from financing activities	(用於)/來自融資活動之現金	(1,759)	5,865
Net cash (outflows)/inflows	現金(流出)/流入淨額	(61,829)	8,642
At 31 December	於十二月三十一日		
Current assets	流動資產	82,429	97,133
Non-current assets	非流動資產	28,068	127,284
Current liabilities	流動負債	(158,887)	(149,627)
Non-current liabilities	非流動負債	-	(13,887)
Net (liabilities)/assets	(負債)/資產淨值	(48,390)	60,903
Accumulated non-controlling interests	累計非控股股東權益	(19,356)	24,361

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36. NON-CONTROLLING INTERESTS (Continued)

- (b) Summarised financial information in relation to the non-controlling interests of Shandong Shundong, a 51% owned subsidiary of the Company, before intra-group eliminations, is presented below:

36. 非控股股東權益 (續)

- (b) 有關山東順東(本公司擁有51%之附屬公司)非控股股東權益之財務資料概要(作出集團內公司間對銷前)呈列如下:

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
For the year ended 31 December	截至十二月三十一日止年度		
Revenue	收益	-	-
Loss for the year	本年度虧損	-	-
Total comprehensive income	全面收入總額	-	-
Loss allocated to non-controlling interests	分配至非控股股東權益之虧損	-	-
Dividends paid to non-controlling interests	向非控股股東權益派付股息	-	-
For the year ended 31 December	截至十二月三十一日止年度		
Cash generated from operating activities	來自營運之現金	-	-
Cash generated from investing activities	來自投資活動之現金	-	-
Cash generated from financing activities	來自融資活動之現金	-	-
Net cash flows	現金流淨額	-	-
At 31 December	於十二月三十一日		
Current assets	流動資產	150,707	-
Non-current assets	非流動資產	427,004	-
Current liabilities	流動負債	(238,398)	-
Non-current liabilities	非流動負債	(25,502)	-
Net assets	資產淨值	313,811	-
Accumulated non-controlling interests	累計非控股股東權益	153,767	-

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37. BUSINESS ACQUISITION

On 18 December 2015, the Company, an independent third party (the "Vendor") and the Vendor's guarantor entered into a sale and purchase contract that the Company acquired 100% equity interest in Mission Achiever, which holds 100% equity interest in Mid-Ocean, a company holding a capital injection agreement with Shandong Shundong. This acquisition was completed on the same date and total consideration for this acquisition is cash payment of HK\$185 million (based on the exchange rate on the date when the acquisition was completed), of which an amount of HK\$47 million was paid directly to the Vendor. The remaining amount of RMB115 million (approximately to HK\$135.9 million) was paid by the Company to Mid-Ocean as a loan and this amount was intended to be used as capital contribution to Shandong Shundong. Both Mission Achiever and Mid-Ocean are investment holding companies as at 18 December 2015 and no businesses were carried out by these two companies.

By end of December 2015, the Group made capital contribution of RMB115,000,000 (equivalent to HK\$135,851,000) to Shandong Shundong in cash and Shandong Shundong becomes a 51% subsidiary of the Group since then as the Group obtained controls over Shandong Shundong. Principal activity of Shandong Shundong is oil and liquefied chemical terminal which is under construction. Details of this acquisition, which stated that the total consideration was HK\$185 million translated at the estimated RMB exchange rate of 1:1.2, have been set out in the Company's announcement dated 18 December 2015.

The amount of HK\$47 million was directly paid to the Vendor and is recognised as other operating expenses in profit or loss.

37. 業務收購

於二零一五年十二月十八日，本公司、一名獨立第三方（「賣方」）及賣方之擔保人訂立買賣合約，本公司收購Mission Achiever之100%股權，Mission Achiever持有中海之100%股權，而中海持有山東順東之注資協議。是項收購於同日完成，收購之總代價為185,000,000港元之現金付款（按收購完成當日的匯率計算），當中47,000,000港元直接向賣方支付。其餘人民幣115,000,000元（約為135,900,000港元）將由本公司向中海作為貸款支付，該款項擬用作向山東順東之注資。於二零一五年十二月十八日，Mission Achiever及中海均為投資控股公司，該兩間公司並無開展業務。

於二零一五年十二月底，本集團向山東順東以現金注資人民幣115,000,000元（相當於135,851,000港元）完成，由於本集團自此取得山東順東之控制權，山東順東成為本公司擁有51%權益之附屬公司。山東順東之主要業務為經營油品及液體化工品碼頭（在建）。是項收購之詳情（當中載明總代價185,000,000港元按估計人民幣匯率1:1.2換算）已載於本公司日期為二零一五年十二月十八日之公佈。

47,000,000港元已直接向賣方支付，並作為其他經營開支於損益確認。

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37. BUSINESS ACQUISITION (Continued)

The fair value of identifiable assets and liabilities of Shandong Shundong as at the date of acquisition were:

		2015 HK\$'000 二零一五年 千港元
Property, plant and equipment (note 14)	物業、廠房及設備(附註14)	312,782
Intangible assets (note 17)	無形資產(附註17)	116,602
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	12,149
Cash and bank balances	現金及銀行結餘	136,178
Other payables and accruals	其他應付款項及應計款項	(234,663)
Amount due to non-controlling shareholder	應付非控股股東款項	(3,735)
Deferred tax liabilities (note 29)	遞延稅項負債(附註29)	(25,502)
		313,811
Non-controlling interests (49%)	非控股股東權益(49%)	(153,767)
Net identified assets acquired	所收購之可識別資產淨值	160,044
The fair value of consideration transfer:	轉讓代價之公平值:	
Cash	現金	135,851
Gain from bargain purchase	溢價購買之收益	(24,193)

Fair value of other receivables amounted to HK\$334,000. The gross amount of these receivables is HK\$334,000. None of these receivables have been impaired and it is expected that the full contractual amounts can be collected.

Gain from bargain purchase arose in the acquisition because the Group obtained some intangible assets arising from the business combination.

The Group has elected to measure non-controlling interests in this acquisition at proportionate share of the acquiree's identifiable net assets.

37. 業務收購(續)

山東順東之可識別資產及負債於收購日期之公平值載列如下:

其他應收款項之公平值為334,000港元，而總額為334,000港元。該等應收款項並無出現減值，且預期可收回全數合約金額。

收購產生之議價購買收益乃由於本集團取得業務合併產生之若干無形資產。

本集團已選擇以按比例應佔被收購方之可識別資產淨值的方式計量該收購事項之非控股股東權益。

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37. BUSINESS ACQUISITION (Continued)

Since the acquisition date, no revenue and no profit or loss was contributed by Shandong Shundong to Group's revenue and profit or loss as the oil and liquefied chemical terminal is under construction. Had the acquisition occurred on 1 January 2015, the Group revenue and loss would have been HK\$87,480,000 and HK\$539,716,000 respectively. This pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2015, nor is it intended to be a projection of future performance.

38. OPERATING LEASE COMMITMENTS

At 31 December 2015, the Group had total future minimum lease payments under non-cancellable operating lease falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)
After five years	五年後

The Group leases certain leasehold land and buildings and equipment under operating leases. The leases run for an initial period of three months to twenty years (2014: one to twenty years), with an option to renew the lease and renegotiate the terms at expiry date or at dates as mutually agreed between the Group and respective landlords/lessors. None of the leases includes contingent rentals.

37. 業務收購(續)

自收購日期以來，由於油品及液體化工品碼頭在建，山東順東並無向本集團之收益及損益貢獻任何收益或損益。倘收購事項已於二零一五年一月一日發生，本集團之收益及虧損將分別為87,480,000港元及539,716,000港元。該備考資料僅供說明用途，未必反映本集團於假設收購事項已於二零一五年一月一日完成之情況下所實際錄得的收益及經營業績，亦不擬作為對未來表現之預測。

38. 經營租約承擔

於二零一五年十二月三十一日，本集團於下列年期內屆滿之不可撤銷經營租約之未來最少租賃付款總額如下：

2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
3,469	1,017
6,440	1,854
542	1,963
10,451	4,834

本集團根據經營租約租用若干租賃土地及樓宇以及設備。該等租約初步為期一年至二十年(二零一四年：一年至二十年)，可於到期日或本集團與有關業主/出租人共同商定之日期選擇續租及重訂租約條款。該等租約不包括或然租金。

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39. CAPITAL AND OTHER COMMITMENTS

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Capital commitments for acquisition of property, plant and equipment	收購物業、廠房及設備之資本承擔	752	791
Capital commitments for construction cost of oil and liquefied chemical terminal	油品及液體化工品碼頭建築成本之資本承擔	587,704	-
Other commitments in respect of administrative fees and training fees	就管理費及培訓費之其他承擔	50,622	50,986
		639,078	51,777

39. 資本及其他承擔

40. RELATED PARTY TRANSACTIONS

Apart from the balances and transactions with related parties disclosed elsewhere in the financial statements, the Group had the following transactions with its related parties during the year:

Compensation of key management personnel

Included in employee costs are key management personnel compensation (including directors' emoluments) and comprises the following categories:

		2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Short-term employee benefits	短期僱員福利	2,301	1,671
Contribution to retirement benefit scheme	退休福利計劃之供款	18	-
		2,319	1,671

40. 關連人士交易

除財務報表其他部分所披露之結餘及與關連人士之交易外，年內，本集團與其關連人士尚有如下交易：

主要管理人員之補償

主要管理人員之補償（包括董事酬金）乃計入員工成本，包括以下類別：

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41. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

41. 按分類劃分之財務資產及財務負債概要

	2015 二零一五年		2014 二零一四年	
	Carrying amount HK\$'000 賬面值 千港元	Fair value HK\$'000 公平值 千港元	Carrying amount HK\$'000 賬面值 千港元	Fair value HK\$'000 公平值 千港元
Financial assets	財務資產			
Loan and receivables	貸款及應收款項			
- Cash at banks and in hand	238,260	238,260	76,043	76,043
- Pledged bank deposits	22	22	1,003	1,003
- Trade and bills receivables	34,085	34,085	36,564	36,564
- Other receivables	4,295	4,295	3,935	3,935
Financial assets at fair value through profit or loss	24,818	24,818	-	-
	301,480	301,480	117,545	117,545
Financial liabilities	財務負債			
Financial liabilities measured at amortised cost	按攤銷成本計量之財務負債			
- Trade payables	11,172	11,172	17,907	17,907
- Other payables and accruals	383,121	383,121	143,290	143,290
- Amounts due to non-controlling shareholder	20,932	20,932	13,887	13,887
- Bank borrowings	41,300	41,300	43,400	43,400
- Other borrowings	42,505	42,505	41,971	41,971
- Convertible bonds	141,450	141,450	-	-
	640,480	640,480	260,455	260,455

The Group's financial instruments not measured at fair value include cash at banks and in hand, pledged bank deposits, trade, bills and other receivables, trade payables, other payables and accruals, bank borrowings, other borrowings and amounts due to non-controlling shareholders. Due to their short term nature, the carrying value of cash at bank and in hand, pledged bank deposits, trade, bills and other receivables, trade payables, other payables and accruals and bank borrowings approximates fair value.

本集團並非按公平值計量之財務工具包括銀行結存及手頭現金、已抵押銀行存款、應收貿易賬項、應收票據及其他應收款項、應付貿易賬項、其他應付款項及應計款項以及銀行借款、其他借款及應付非控股股東款項。由於其短期性質使然，銀行結存及手頭現金、已抵押銀行存款、應收貿易賬項、應收票據及其他應收款項、應付貿易賬項、其他應付款項及應計款項及銀行借款之賬面值與其公平值相若。

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41. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY (Continued)

The fair value of other borrowings, convertible bonds and amounts due to non-controlling shareholders for disclosure purposes has been determined using discounted cash flow models and is classified as level 3 in the fair value hierarchy. Significant inputs include the discount rate used to reflect the credit risks of the borrowers or the Group.

The following table provides an analysis of financial instruments carried at fair value by level of fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

41. 按分類劃分之財務資產及財務負債概要 (續)

就披露而言，其他借款、可換股債券及應付非控股股東款項之公平值乃使用貼現現金流模式釐定，並於公平值等級中分類為第三級。重大輸入數據包括用以反映借入人或本集團信貸風險之貼現率。

下表載列按公平值等級劃分之按公平值計量之金融工具分析：

第一級：相同資產或負債之活躍市場報價（未經調整）；

第二級：第一級報價以外，可就資產或負債直接（即價格）或間接（自價格衍生）觀察得出之輸入值；及

第三級：並非根據可觀察市場數據得出之資產或負債輸入值（不可觀察輸入值）。

		2015 二零一五年			
		Level 1 HK\$'000 第一級 千港元	Level 2 HK\$'000 第二級 千港元	Level 3 HK\$'000 第三級 千港元	Total HK\$'000 總計 千港元
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產				
- Listed equity investments	- 上市股本投資	24,818	-	-	24,818

		2014 二零一四年			
		Level 1 HK\$'000 第一級 千港元	Level 2 HK\$'000 第二級 千港元	Level 3 HK\$'000 第三級 千港元	Total HK\$'000 總計 千港元
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產				
- Listed equity investments	- 上市股本投資	-	-	-	-

There were no transfers between levels during the year.

年內不同等級之間並無進行任何轉撥。

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42. FINANCIAL RISK MANAGEMENT

The Group does not have written financial risk management policies and guidelines. However, the board of directors meets periodically to analyse and formulate strategies to manage the Group's exposure to credit risk, market risk (including foreign currency risk and interest rate risk) and liquidity risk. Generally, the Group employs conservative strategies on its risk management. The Group's exposure to market risk is kept at a minimum level. The Group has not used any derivatives or other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes.

(a) Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. The Group's exposure to credit risk mainly arises from granting credit to customers in the ordinary course of its operations and its investing activities.

The carrying amounts of these financial assets presented in the statement of financial position are net of impairment losses, if any. The Group minimises its exposure to the credit risk by rigorously selecting the counterparties, performing ongoing credit evaluation on the financial conditions of its debtors and tightly monitoring the ageing of the receivables. Follow-up actions are taken in case of overdue balances on an ongoing basis. In addition, management monitors and reviews the recoverable amount of the receivables individually or collectively at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. In respect of trade and other receivables, individual credit evaluations are performed on all debtors requiring credit over a certain amount. These evaluations focus on the debtors' past history of making payments when due and current ability to pay, and take into account information specific to the debtors as well as pertaining to the economic environment in which the debtors operate. Normally, the Group does not obtain collateral from its customer. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each debtor.

42. 財務風險管理

本集團並無制訂書面財務風險管理政策及指引。然而，董事會會定期舉行會議，分析及制訂策略管理本集團所承擔之信貸風險、市場風險（包括外匯風險及利率風險）及流動資金風險。一般而言，本集團會就其風險管理採納一套穩妥之策略，從而將本集團承擔之市場風險維持在最低水平。本集團並無運用任何衍生工具或其他工具進行對沖。本集團並無持有或發行衍生金融工具以作買賣用途。

(a) 信貸風險

信貸風險指金融工具之對手方未能履行其於金融工具條款項下之責任而引致本集團蒙受財務損失之風險。本集團之信貸風險主要來自於其日常業務營運過程中授予客戶之信貸及其投資業務。

該等財務資產於財務狀況表呈列之賬面值已扣除減值虧損（如有）。本集團透過審慎挑選對手方、對其債務人之財務狀況進行持續信貸評估，以及緊密監控應收款項之賬齡，最大程度降低其所承擔之信貸風險。本集團採取持續跟進措施收回逾期結餘。此外，管理層會於各報告日期個別或共同監控及檢討應收款項之可收回金額，確保就不可收回金額作出足夠之減值虧損。就應收貿易賬項及其他應收款項而言，對於所有要求若干信貸金額之債務人均會進行個別信貸評估。此等評估主要針對債務人以往到期時之還款紀錄及現時之還付能力，並考慮債務人之個別資料及債務人所處之經濟環境之資料。一般而言，本集團並無自客戶取得抵押品。本集團面對之信貸風險主要受各債務人之個別情況影響。

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42. FINANCIAL RISK MANAGEMENT (Continued)

(a) Credit risk (Continued)

Default risk of the industry in which customers operate also has an influence on credit risk but to a lesser extent. As at 31 December 2015, the Group has a certain concentration of credit risk as 63% (2014: 38%) and 84% (2014: 71%) of total receivables was due from the Group's largest trade debtor and the three largest trade debtors respectively.

The credit risk of the Group's other financial assets, which comprise pledged bank deposits and cash at banks and in hand, is also limited because almost all the Group's cash at banks and in hand are deposited with major banks located in Hong Kong and the PRC.

As the Group trades only with recognised and creditworthy counterparties, there is no requirement for collateral.

The credit policies have been followed by the Group since prior years and are considered to have been effective in limiting the Group's exposure to credit risk to a desirable level.

As at 31 December 2015 and 2014, there is no financial guarantees issued by the Group.

42. 財務風險管理 (續)

(a) 信貸風險 (續)

客戶經營行業之固有風險亦對信貸風險有影響，惟較輕微。於二零一五年十二月三十一日，本集團有若干集中信貸風險，原因是應收款項總額中分別有63%（二零一四年：38%）及84%（二零一四年：71%）來自本集團最大貿易借款人及三名最大貿易借款人。

本集團之銀行結存及手頭現金幾乎全部存放於香港及中國之主要銀行，故本集團其他財務資產（包括已抵押銀行存款以及銀行結存及手頭現金）之信貸風險亦有限。

由於本集團只與獲認可及信譽良好之對手方進行交易，故毋須抵押品。

本集團於過往年度已推行信貸政策，本集團認為信貸政策已有效地將本集團之信貸風險減至理想水平。

於二零一五年及二零一四年十二月三十一日，本集團並無發出任何財務擔保。

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42. FINANCIAL RISK MANAGEMENT (Continued)

(b) Foreign currency risk

Sales and expenses of the Group are mostly in US\$ and RMB. Exposures to currency exchange rates arise from certain of the Group's cash and bank balances which are denominated in US\$. The Group does not use derivative financial instruments to hedge its foreign currency risk. The Group reviews its foreign currency exposures regularly and does not consider its foreign exchange risk to be significant.

The following table details the Group's exposure at the reporting date to foreign currency risk from the above stated items denominated in a currency other than the functional currency of relevant group companies.

	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元
Cash and cash equivalents denominated in US\$	315	431

By assessing foreign currency risk on cash and bank balances, the effect arising from a reasonably possible change in the exchange rates of HK\$ against US\$ in the next twelve months was not material to the loss for the year and accumulated losses at each of the reporting date, on the basis that all other variables remain constant.

42. 財務風險管理 (續)

(b) 外匯風險

本集團之銷售及開支主要以美元及人民幣列值。外匯風險來自本集團以美元列值之若干現金及銀行結存。本集團並未使用衍生金融工具對沖其外匯風險。本集團定期檢討其外匯風險，並認為其外匯風險並不重大。

下表詳列於報告日期本集團上述項目按有關集團公司之功能貨幣以外之貨幣列值之外匯風險。

經評估現金及銀行結存之外匯風險，並假設所有其他變量保持不變，未來十二個月港元兌美元之匯率合理可能變動產生之影響對年內之虧損及各報告日期之累計虧損並不重大。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

42. FINANCIAL RISK MANAGEMENT (Continued)

(c) Interest rate risk

The Group's exposure to interest rate risk for changes in interest rates relates primarily to the Group's floating interest rate borrowings. The Group has not used any derivative contracts to hedge its exposure to interest rate risk. However, management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The following table indicates the approximate change in the Group's loss after income tax and accumulated losses in response to reasonably possible changes in the interest rate, to which the Group has significant exposure at the reporting date.

		2015 二零一五年		2014 二零一四年	
		Increase/ (decrease) in interest rate	Effect on loss after income tax and accumulated losses HK\$'000 對除所得稅後 虧損及累計 虧損之影響 千港元	Increase/ (decrease) in interest rate	Effect on loss after income tax and accumulated losses HK\$'000 對除所得稅後 虧損及累計 虧損之影響 千港元
Cash at banks	銀行現金	0.1%	117	0.1%	58
Cash at banks	銀行現金	(0.1%)	(117)	(0.1%)	(58)

The sensitivity analysis above is determined assuming that the change in interest rate had occurred at the reporting date and had been applied to the exposure to interest rate risk for non-derivative financial instruments in existence at that date. The 0.1% increase/decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual reporting date. The analysis is performed on the same basis for 2014.

42. 財務風險管理 (續)

(c) 利率風險

本集團因利率變動所承擔之利率風險主要與本集團之浮息借款有關。本集團並未使用任何衍生合約對沖其利率風險。然而，管理層對利率風險進行監控，並於需要時考慮對沖重大利率風險。

下表列載本集團之除所得稅後虧損及累計虧損因利率合理可能變動（本集團於報告日期承受重大風險）而產生之概約變動。

上述敏感度分析乃假設利率於報告日期已發生變動而釐定，並已應用於該日已存在之非衍生金融工具所面臨之利率風險中。上升/下降0.1%乃管理層就直至下一年度報告日期止期間內利率之合理可能變動所作之估計。有關分析乃基於二零一四年相同基準作出。

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42. FINANCIAL RISK MANAGEMENT (Continued)

(d) Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group is exposed to liquidity risk in respect of settlement of its financial obligations, its cash flow management as well as potential adverse outcome on the Songliao Contract and the litigation as described in note 44(c). As mentioned in note 3(a) (ii), the Group's ability to meet its financial obligations when they fall due is dependent upon the sustainability of the cash flow forecast with underlying assumptions. Management of the Group is satisfied that the Group will be able to meet in full their financial obligations as and when they fall due in the foreseeable future.

The Group maintains a level of cash and cash equivalents assessed as adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group relies on internally generated funding and borrowings as significant sources of liquidity.

42. 財務風險管理 (續)

(d) 流動資金風險

流動資金風險指本集團不能履行其與透過交付現金或其他財務資產清償之財務負債有關之責任之風險。本集團面對之流動資金風險與清償其財務負債、其現金流量管理以及松遼合約之潛在不利結果及附註44(c)所述之訴訟有關。如附註3(a) (ii)所述，本集團於財務責任到期時履行財務責任之能力取決於相關假設前提下之可持續現金流量預測。本集團管理層信納本集團將有能力於財務責任於可預見將來到期時悉數履行財務責任。

本集團維持管理層認為充足之現金及現金等值項目，以向本集團業務經營提供資金及減輕現金流量波動之影響。本集團以內部產生資金及借款作為流動資金之重要來源。

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For the year ended 31 December 2015 截至二零一五年十二月三十一日止年度

42. FINANCIAL RISK MANAGEMENT (Continued)

(d) Liquidity risk (Continued)

The maturity profile of the Group's and the Company's financial liabilities as at the reporting dates, based on the contractual undiscounted payments, were as follows:

Carrying amount	Total contractual undiscounted cash flow	2015 二零一五年				
		Within 6 months or on demand	6 to 12 months	1 to 5 years		
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
賬面值 千港元	合約性無貼現 現金流量總額 千港元	六個月以內或 按要求 千港元	六至十二個月 千港元	一至五年 千港元		
Trade payables	應付貿易賬項	11,172	11,172	11,172	-	-
Other payables and accruals	其他應付款項及應計款項	383,121	383,121	383,121	-	-
Amounts due to non-controlling shareholder	應付非控股股東款項	20,932	20,932	20,932	-	-
Bank borrowings	銀行借款	41,300	41,300	41,300	-	-
Other borrowings	其他借款	42,505	43,544	29,972	-	13,572
Convertible bonds	可換股債券	141,450	235,000	-	15,000	220,000
		640,480	735,069	486,497	15,000	233,572

42. 財務風險管理 (續)

(d) 流動資金風險 (續)

本集團及本公司根據合約性無貼現款項於報告日期之財務負債到期日情況如下：

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42. FINANCIAL RISK MANAGEMENT (Continued)

(d) Liquidity risk (Continued)

		2014 二零一四年				
		Total contractual Carrying amount HK\$'000 賬面值 千港元	undiscounted cash flow HK\$'000 合約性無貼現 現金流量總額 千港元	Within		
				6 months or on demand HK\$'000 六個月以內或 按要求 千港元	6 to 12 months HK\$'000 六至十二個月 千港元	1 to 5 years HK\$'000 一至五年 千港元
Trade payables	應付貿易賬項	17,907	17,907	17,907	-	-
Other payables and accruals	其他應付款項及應計款項	143,290	143,290	143,290	-	-
Amounts due to non-controlling shareholder	應付非控股股東款項	13,887	17,138	-	-	17,138
Bank borrowings	銀行借款	43,400	48,759	-	48,759	-
Other borrowings	其他借款	41,971	46,819	-	-	46,819
		260,455	273,913	161,197	48,759	63,957

43. CAPITAL MANAGEMENT

The Group's objectives when managing capital are:

- To safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for stakeholders;
- To support the Group's stability and growth; and
- To provide capital for the purpose of strengthening the Group's risk management capability.

42. 財務風險管理 (續)

(d) 流動資金風險 (續)

		2014 二零一四年				
		Total contractual Carrying amount HK\$'000 賬面值 千港元	undiscounted cash flow HK\$'000 合約性無貼現 現金流量總額 千港元	Within		
				6 months or on demand HK\$'000 六個月以內或 按要求 千港元	6 to 12 months HK\$'000 六至十二個月 千港元	1 to 5 years HK\$'000 一至五年 千港元
Trade payables	應付貿易賬項	17,907	17,907	17,907	-	-
Other payables and accruals	其他應付款項及應計款項	143,290	143,290	143,290	-	-
Amounts due to non-controlling shareholder	應付非控股股東款項	13,887	17,138	-	-	17,138
Bank borrowings	銀行借款	43,400	48,759	-	48,759	-
Other borrowings	其他借款	41,971	46,819	-	-	46,819
		260,455	273,913	161,197	48,759	63,957

43. 資本管理

本集團之資本管理目標為：

- 保障本集團有能力繼續作為持續經營公司，持續為股東帶來回報及利益；
- 支持本集團穩定營運及增長；及
- 為本集團提供資本以鞏固其風險管理能力。

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43. CAPITAL MANAGEMENT (Continued)

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group. The Group currently does not adopt any formal dividend policy. Management regards total equity less equity component of convertible bond as capital, for capital management purpose. The amount of capital as at 31 December 2015 amounted to approximately HK\$224,503,000 (2014: HK\$449,520,000), which management considers as optimal having considered the projected capital expenditures and the forecast strategic investment opportunities.

44. LITIGATIONS

(a) Transfer of the exploration licence

Details of litigations are set out in notes 3(a)(iii) and 3(a)(iv).

(b) Injunction order to the holder of CB6 and CB7

Details of litigations are set out in note 3(a)(i).

43. 資本管理 (續)

本集團定期積極檢討及管理其資本結構，確保資本結構及股東回報達致最佳狀態，考慮事項包括本集團未來資本需求。目前，本集團並無採納任何正式股息政策。就資本管理目的而言，管理層將總權益減可換股債券權益部分認作資本。於二零一五年十二月三十一日之資本金額約為224,503,000港元（二零一四年：449,520,000港元），經考慮預計資本開支及預測策略投資機會，管理層認為有關金額已達最佳水平。

44. 訴訟

(a) 轉讓勘探牌照

有關此訴訟詳情載於附註3(a)(iii)及3(a)(iv)。

(b) 對可換股債券第六批債券及可換股債券第七批債券持有人之禁制令

有關此訴訟詳情載於附註3(a)(i)。

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44. LITIGATIONS (Continued)

(c) Frozen bank accounts of Shanxi Zhong Kai Group Lingshi

In November 2015, two individuals filed the civil writs to the People's Court of Taiyuan City Xiaodian District (太原市小店區人民法院) (the "Taiyuan Court") separately that as the non-controlling shareholder of Shanxi Zhong Kai Group Lingshi failed to repay for the loans of RMB4.5 million (equivalent to HK\$5.3 million) lent by these individuals to the non-controlling shareholder of Shanxi Zhong Kai Group Lingshi. It was stated in the writs that these individuals considered Shanxi Zhong Kai Group Lingshi is one of the three companies controlled by the non-controlling shareholder (i.e. borrower) and thus Shanxi Zhong Kai Group Lingshi is identified as one of the defendants by these individuals.

In December 2015, the Taiyuan Court judged that the bank accounts of all defendants in these writs and certain properties of other defendants to be frozen during the legal proceedings including certain bank accounts of Shanxi Zhong Kai Group Lingshi. The frozen bank balance was approximately RMB500,000 (equivalent to approximately HK\$590,000). As at the date of the approval of the financial statements, the legal proceedings are still in progress.

In March 2016, the Group has sought legal opinion in respect of the civil writs. The legal adviser opined that as Shanxi Zhong Kai Group Lingshi (i) has never authorised nor involved in the loan agreements; (ii) has not issued any guarantee document; and (iii) did not receive any money through its bank accounts in respect of these loans, these loans are not related to Shanxi Zhong Kai Group Lingshi, it is likely that Shanxi Zhong Kai Group Lingshi will have no liabilities in respect of these loans. Based on these, no provision is considered necessary by the Group accordingly.

44. 訴訟 (續)

(c) 凍結山西中凱集團靈石之銀行賬戶

於二零一五年十一月，兩名人士分別向太原市小店區人民法院（「太原法院」）提出民事令狀，概因山西中凱集團靈石之非控股股東未能償還該等人士借予山西中凱集團靈石非控股股東之貸款人民幣4,500,000元（相等於5,300,000港元）。令狀中說明該等人士認為山西中凱集團靈石為非控股股東（即借款人）控制之三間公司之一，因此，山西中凱集團靈石被該等人士確定為被告之一。

於二零一五年十二月，太原法院判定該等令狀內之所有被告人銀行賬戶及其他被告之若干物業於法律訴訟期間將予凍結，當中包括山西中凱集團靈石之若干銀行賬戶。凍結之銀行結餘為約人民幣500,000元（相等於約590,000港元）。於財務報表獲批准之日，法律訴訟仍在進行當中。

於二零一六年三月，本集團就民事令狀尋求法律意見。法律顧問認為山西中凱集團靈石(i)從未授權或參與貸款協議；(ii)並未發出任何擔保文件；及(iii)並未透過其銀行賬戶收到有關該等貸款之任何款項，該等貸款與山西中凱集團靈石無關，山西中凱集團靈石很可能不會就該等貸款承擔任何責任。基於上述內容，本集團因此認為不必作出撥備。

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45. EVENTS AFTER THE REPORTING DATE

As described in note 1, on 30 December 2015, the Group entered into the sale and purchase agreement with the Purchaser, pursuant to which the Purchaser has conditionally agreed to acquire and the Group has conditionally agreed to sell the issued shares and the sale loan of Sunlight Rise at a consideration of HK\$1,500,000. On 29 March 2016, a supplemental agreement to the sale and purchase agreement was entered into by the Group, the Purchaser and the guarantors, pursuant to which the Group, the Purchaser and the guarantors have mutually agreed in writing to extend the long stop date of the sale and purchase agreement to 30 September 2016. As at the date of the authorisation for issue of the consolidated financial statements, save for the passing by the shareholders of the Company at the extra-ordinary general meeting the necessary resolutions to approve the sale and purchase agreement and the transactions contemplated thereunder, the other conditions precedent under the sale and purchase agreement have been fulfilled.

46. APPROVAL OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 December 2015 were approved and authorised for issue by the board of directors on 25 April 2016.

45. 報告日期後事項

如附註1所述，於二零一五年十二月三十日，本集團與買方訂立買賣協議，據此買方已有條件地同意收購而本集團已有條件地同意出售昇暉之已發行股份及待售貸款，代價為1,500,000港元。於二零一六年三月二十九日，本集團、買方及擔保人訂立買賣協議之補充協議，據此本集團、買方及擔保人已相互書面同意將買賣協議之最後截止日期延長至二零一六年九月三十日。於授權刊發綜合財務報表之日，除本公司股東於股東特別股東大會上通過必要決議案以批准買賣協議及其項下擬進行之交易外，買賣協議項下之其他先決條件已達成。

46. 核准財務報表

截至二零一五年十二月三十一日止年度之財務報表已於二零一六年四月二十五日經董事會核准及授權發佈。

